Press Release – May 14, 2013

VALEURA ANNOUNCES FIRST QUARTER 2013 FINANCIAL AND OPERATING RESULTS

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to report highlights of its unaudited financial and operating results for the three month period ended March 31, 2013 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.

STRATEGIC DEVELOPMENTS

As a top priority, the Corporation made good progress in the first quarter of 2013 in advancing the tight gas delineation and development program in the Thrace Basin after an 18-month proof-of-concept program to de-risk the play. To date, the Corporation has frac'd 34 tight gas wells, mostly with single stage fracs, on joint venture lands acquired from Thrace Basin Natural Gas (Turkiye) Corporation ("**TBNG**") and Pinnacle Turkey Inc. ("**PTI**") (Valeura 40%).

In the first quarter, three new vertical wells were completed on the TBNG-PTI joint venture lands with development-type, multi-stage fracs. The Corporation is also moving forward with a two-well horizontal drilling pilot commencing in June 2013 to be completed with even larger multi-stage fracs.

The Corporation is progressing two potential high impact exploration plays in its portfolio in Turkey to complement the development focused program on joint venture lands in the Thrace Basin.

The Corporation was successful in acquiring the 185 square mile Banarli Licence on a 100% operated basis located in the centre of the Thrace Basin. Banarli offers potential to extend the tight gas play into deeper, higher pressure sands and to explore for unconventional shale gas and oil.

The Corporation is proceeding with a 2D seismic program over the Bostanci oil exploration prospect on the border with northern Iraq, which could lead to drilling contingent on seismic results and funding.

OPERATIONAL HIGHLIGHTS

Banarli Licence

- Acquired the Banarli Licence 5104 (Valeura 100%) through a competitive licence application process. Banarli is a large exploration licence of 118,598 gross acres (185 square miles) located near the centre and deepest part of the Thrace Basin. The Corporation believes the licence is ideally located to test for a potential basin-centre gas play and to explore for unconventional tight gas and shale gas in those areas where the Mezardere shale source rocks are at depths below 3,000 metres and may be at pressures and temperatures sufficient to create an active "kitchen" for hydrocarbon generation.

- The Corporation plans to initially carry out a seismic program later in the year to mature a number of exploration leads. Under the Banarli licence terms, a well needs to be spudded by early March 2014.

TBNG-PTI Lands

- Completed multi-stage fracs at the Baglik-1 (four-stage), DTD-19 (five-stage) and BTD-5 (four-stage) wells. All three wells are tied into the gathering system and delivered an aggregate initial average 30-day on-stream rate of 2.4 million cubic feet per day ("**MMcf/d**") (gross).

- Drilled the TDR-14 well to a depth of 1,750 metres, which is cased as an indicated gas well and is a candidate for fracing later in the second quarter.

- At April 30, 2013, a total of 34 wells had been frac'd on the TBNG-PTI joint venture lands. In aggregate, these fracs were contributing approximately 6.7 MMcf/d (gross) at April 30 after producing cumulative reserves of approximately 2.5 billion cubic feet.

- Drilled the Hayrabolu-10 well to a depth of 4,054 metres, which is cased as an indicated gas well. The well is the deepest well drilled on the TBNG-PTI joint venture lands and penetrated the Upper Kesan Formation, where elevated pressures are evident. More than 90 sidewall cores were cut in the well both in potential sandstone reservoirs and in the Mezardere shale source rock and are in Calgary for analysis to guide the planned completion and testing program. This area could potentially be the second focus area for tight gas development, where the target tight gas sands and shale source rocks are approximately 2,500 metres deeper than in the Tekirdag area with potential for higher pressures and larger reserves targets.

Bostanci Licence

- Field work commenced on scouting and surveying for an additional 2D seismic program over the Bostanci oil exploration prospect in Licence 4985 in southeast Turkey. The seismic design includes five lines with a total length of approximately 15 kilometres along the border with northern Iraq to the south and the Syria border to the west. This program was approved by the General Directorate of Petroleum Affairs of the Republic of Turkey ("**GDPA**") and the Turkish military, which controls a buffer zone along these border areas.

- The acquisition phase of the seismic program could be delayed to late June to clear suspected land mines in some areas immediately adjacent to the border. Discussions have been held with the government to determine the implications of this delay on the mid-June 2013 spudding requirement under the licence terms. The GDPA has confirmed that under the Petroleum Law, the Corporation has a 90-day period to comply upon notification of non-compliance, which could extend the deadline to approximately mid-October 2013.

- A number of options are being pursued to fund potential drilling at Bostanci, which also remains contingent on the results of the new seismic.

FINANCIAL HIGHLIGHTS

- Corporate petroleum and natural gas sales in the first quarter of 2013 averaged 851 barrels of oil equivalent per day ("**boe/d**") (net), down 16% from the fourth quarter of 2012 due to natural declines partially offset by production additions from new multi-stage fracs on tight gas wells and shallow gas workovers in the Thrace Basin. Turkish net production in the first quarter averaged approximately 791 boe/d, including 4.6 MMcf/d of natural gas and 17 barrels of oil per day ("**bopd**"). Monthly natural gas volumes in Turkey were relatively flat throughout the first quarter as natural declines since January have been offset with production additions.

- Funds flow from operations of $1.6 million in the first quarter of 2013 was down 41% from $2.7 million in the fourth quarter of 2012 due to lower sales volumes, higher unit operating costs (reflecting the high portion of fixed costs at lower volumes) and the payment of annual employee bonuses, partially offset by an increase in Turkish natural gas prices. Funds flow from operations in the first quarter of 2013 was down 46% from the first quarter of 2012 due to lower sales volumes and higher unit operating costs, partially offset by an increase in Turkish natural gas prices. (See discussion below regarding non-IFRS measures).

- Capital expenditures in the first quarter of 2013 of $6.4 million were up marginally from $6.2 million in the fourth quarter of 2012 due to higher fracing expenditures, offset by lower drilling expenditures on the TBNG-PTI lands. Capital expenditures in the first quarter of 2013 were down 26% from the first quarter of 2012 due primarily to a decrease in fracing expenditures.

- Natural gas price realizations in Turkey in the first quarter of 2013 averaged $10.66 per thousand cubic feet ("**Mcf**"), which were up 10% from the fourth quarter of 2012 and helped to mitigate the financial impact of the lower volumes in the quarter.

- The corporate average operating netback of $39.54 per boe in the first quarter of 2013 was up 2% from $38.90 per boe in the fourth quarter of 2012 and up 19% from the first quarter of 2012 due primarily to higher Turkish natural gas prices, partially offset by higher unit operating costs compared to both periods in 2012. (See discussion below regarding non-IFRS measures).

- As at March 31, 2013, the Corporation had a positive working capital surplus of $19.5 million, including cash and cash equivalents of $22.8 million. This compares to a working capital surplus of $24.3 million as at December 31, 2012.
- Additional financial and operating results are summarized in the Table 1 below.

Table 1 Financial Results Summary

	Three Months Ended March 31, 2013	Three Months Ended December 31, 2012	Three Months Ended March 31, 2012
Financial (thousands of Canadian Dollars, except share or per share amounts)			
Petroleum and natural gas revenues	4,848	5,409	6,810
Funds flow from operations (1)	1,587	2,700	2,939
Net loss	(818)	(12,110)	(2,340)
Capital expenditures	6,445	6,231	8,688
Net working capital surplus	19,457	24,257	24,069
Cash and cash equivalents	22,758	29,031	22,300
Common shares outstanding			
Basic	57,906,135	57,906,135	46,406,135
Diluted	79,040,602	77,351,102	65,731,102
Share trading			
High	1.15	1.27	2.89
Low	0.86	0.70	1.54
Close	0.88	0.92	1.97
Operations			
Production			
Crude oil & NGLs (bbl/d)	53	61	59
Natural Gas (Mcf/d)	4,787	5,682	9,074
boe/d (@ 6:1) (2)	851	1,008	1,572
Average reference price			
Edmonton light ($ per bbl)	88.16	83.99	92.18
BOTAS Reference ($ per Mcf) (3)	11.37	11.12	8.47
Average realized price			
Crude oil ($ per bbl)	74.76	77.98	88.04
Natural gas - Turkey ($ per Mcf)	10.66	9.70	7.77
Natural gas - consolidated ($ per Mcf)	10.43	9.54	7.67
Average Operating Netback ($ per boe @ 6:1) (1) (2)	39.54	38.90	33.17

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) Barrel of oil equivalent ("boe") 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 2012 Annual Information Form for further discussion.

OUTLOOK

As a new initiative in the tight gas delineation and development program in the Tekirdag area on the TBNG-PTI lands, the Corporation is planning to drill and frac two back-to-back horizontal wells at DTD-19H and BTD-4H commencing in June 2013, including one well into the Teslimkoy Formation and the other well into the underlying Upper Kesan Formation. This pilot program will be located in an area where there is 3D seismic control and experience with fracs in these formations in vertical wells. The wells will target prospective gross intervals of 100 to 150 metres in thickness in each formation at a true vertical depth of approximately 1,000 to 1,100 metres. The wells are expected to have a horizontal well length of 800 to 1,000 metres and will be completed with multi-stage fracs. The results will assist in shaping the ultimate tight gas development program on the TBNG-PTI lands in terms of overall cost effectiveness and access to certain areas close to the city of Tekirdag where pad drilling with vertical or horizontal wells may be required to minimize the surface footprint.

In the Gaziantep area of the Anatolian Basin, a new completion and testing program commenced in early May to perforate additional pay and carry out longer term flow tests of the Alibey-1 horizontal well in Licence 4607 (Valeura 26%). New surface facilities have been constructed to handle fluids and trucking. The well is completed in the Mardin Formation and is an indicated heavy oil well. The program will increase the amount of perforated interval in the well and will be carried out in phases, whereby each test interval will be stimulated with an acid squeeze and individually tested.

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. Barrel of oil equivalent 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: the anticipated tight gas delineation and development program in the Thrace Basin and the ability to finance development; anticipated work programs, budgets and operational plans, including targeted seismic, drilling, workovers, fracs and completions, the targeted drilling of the horizontal wells to be completed with multi-stage fracs, the attributes of those wells and the future development in the Thrace Basin, the ability to clear land mines and secure the safety of the Bostanci licence for potential drilling, the completion and testing of the Alibey-1 well, and the timing, costs and ability to fund each of the foregoing; the prospectivity of the Banarli Licence 5104 and other licences; the extension of the drilling deadline at Bostanci; and, the potential for the Hayrabolu area to be a second focus area for tight gas development with the potential for higher pressures and larger reserves targets. 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 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 delineation and 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); the ability to meet drilling deadlines and other requirements under licences and leases, including spudding deadlines under the Bostanci Licence 4985 and Banarli Licence 5104; future sources of funding; future economic conditions; future currency and exchange rates; the ability to de-mine and safely operate on the Bostanci licence; 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, availability of fracing, mechanical de-mining and other oil specialized equipment and service providers, availability of deep capacity drilling rigs for potential drilling on the Bostanci and Banarli licences and 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 risk of being unable to meet drilling deadlines and the requirements under licences and leases (including Bostanci Licence 4985 and Banarli Licence 5104); 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, land mines and unexploded munitions, 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 and service providers; the uncertainty regarding government and other approvals; potential changes in laws and regulations; 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 2012 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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