Press Release – January 9, 2014

VALEURA PROVIDES FOURTH QUARTER 2013 OPERATIONAL UPDATE AND 2014 GUIDANCE

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to provide an operational update for the fourth quarter of 2013 and the outlook for capital expenditures and sales in 2014.

NET SALES UP ANOTHER 17% IN THE FOURTH QUARTER OF 2013

Net corporate petroleum and natural gas sales in the fourth quarter of 2013 averaged approximately 1,180 barrels of oil equivalent per day ("**boe/d**"), up 17% from the third quarter of 2013 reflecting the contribution from additional well re-entry fracs in the Mezardere Formation in the Thrace Basin of Turkey. This is the second consecutive quarter that net sales increased by 17%. Net corporate sales in 2013 averaged approximately 977 boe/d.

Net sales in Turkey in the fourth quarter of 2013 averaged approximately 1,140 boe/d, including 6.8 million cubic feet per day ("**MMcf/d**") of natural gas at an average wellhead price of $9.93 per thousand cubic feet ("**Mcf**") and 8 barrels of oil per day. Net sales in Canada averaged approximately 40 boe/d.

Turkish wellhead price realizations in the fourth quarter were down 2% from the third quarter reflecting some weakening in the Turkish Lira, which is the pricing basis for Turkish gas sales.

THRACE BASIN OPERATIONAL DEVELOPMENTS

The Corporation drilled and completed a third horizontal well BTD-5H in the Tekirdag area on joint venture lands acquired from Thrace Basin Natural Gas (Turkiye) Corporation ("**TBNG**") and Pinnacle Turkey Inc. ("**PTI**") (the "**TBNG JV**") (Valeura 40%). The well was drilled to a vertical depth of 975 metres into the Teslimkoy Formation with a horizontal section of 403 metres and was completed with a three-stage frac. The well was tied into the gathering system at the end of December 2013 and has been flowing at an average restricted rate of approximately 2.2 MMcf/d (gross) through a 30/64" choke in this early performance period. The well is continuing to clean up with approximately 71% of the completion load fluid recovered to date. The cost to drill, frac and tie-in the well was approximately $2.5 million (gross). (Note that the initial production rates stated throughout this press release are not necessarily indicative of long term performance or ultimate recovery and are subject to decline rates stated below).

Preparations are underway to spud a fourth horizontal well before the end of January on the TBNG JV lands at the BTD-2H location in the Tekirdag area, which will be the first horizontal well drilled into the Mezardere Formation. The well will target the slope fan play in the Mezardere Formation at a depth of approximately 630 metres, aimed at building on the continued success of re-entry fracs in this formation in existing vertical wells.

During the fourth quarter, an additional nine well re-entry fracs were completed in the Mezardere Formation, increasing the year to date total to 17 since late April 2013. The average per well initial 30-day post-frac rate on 12 wells with 30 days of on-stream history is approximately 1.2 MMcf/d.

The Corporation participated in a new 232 square kilometre 3D seismic survey in the Osmanli area on the TBNG JV lands at a final projected cost of $2.0 to 2.3 million (net). The acquisition phase was completed at the end of December 2013 and processing is underway. This increases the 3D seismic coverage on the TBNG JV lands to almost 650 square kilometres. The Osmanli area is located north and west of the Tekirdag area, where the bulk of the natural gas development has occurred on the TBNG JV lands, and is adjacent to the southern boundary of the Corporation's 100% owned and operated Banarli Exploration licence. The target Osmancik shallow gas reservoirs and Mezardere and Teslimkoy tight gas reservoirs in the Osmanli area are expected to be approximately 500 metres deeper than in the Tekirdag area with attendant increased pressures.

2014 WORK PROGRAM AND BUDGET

The Corporation expects to execute a capital expenditure budget of up to $14 to 17 million (net) in Turkey in 2014, focused on natural gas development in the Thrace Basin, and contingent on the level of operating cash flow. The work program and budget aims to achieve the following key objectives in 2014:

1. **Offset natural declines and achieve 5 to 10% annualized production growth from trailing quarter rates with a program funded by available cash and operating cash flow**.

   The Corporation is targeting a more cost effective, repeatable natural gas development program on the TBNG JV lands focused primarily on exploiting tight gas reservoirs in the Mezardere and Teslimkoy Formations with both horizontal and vertical wells completed with multi-stage fracs, building on two years of extensive learnings. The program is also expected to include a selective program of conventional shallow gas vertical drilling most likely in the Osmanli area contingent on the interpretation of the new 3D seismic.

2. **Test for the presence of a basin-centred gas accumulation on Valeura's 100% owned Banarli Licence.**

   The Banarli Licence is located in the centre and deepest part of the Thrace Basin and covers an area of 480 square kilometres (185 square miles or 185 sections). Based on extensive 2D seismic control, the Teslimkoy and Mezardere Formations are expected to be deeper than 3,000 metres on essentially all of the licence. At this depth and associated temperature, the source rock shales and reservoir sands could be in an active hydrocarbon-generating "kitchen" forming a basin-centred gas accumulation, with regionally pervasive, low permeability, gas-saturated sandstone reservoirs exhibiting abnormally high pressures. The Corporation expects that a 4,000 to 5,000 metre vertical exploration well would be required as an initial step to test the concept at an estimated cost of $7 to $9 million (gross) to drill and complete the well with a multi-stage frac. The Corporation has an active process underway to seek a joint venture partner to participate in funding this potentially high impact exploration program. Under the current licence terms, a well must be spudded at Banarli before the end of March 2014, subject to a normal extension of up to 90 days to comply with a notice to drill.

The planned work program on the TBNG JV lands in 2014 includes up to 12 horizontal and vertical wells (gross) utilizing a single drilling rig. Of this total, up to eight new drill wells with multi-stage frac completions are planned targeting tight gas reservoirs in the Mezardere and Teslimkoy Formations and up to four wells targeting conventional shallow gas reservoirs. Up to an additional 20 well re-entry fracs (gross) are also planned, primarily targeting the Mezardere Formation.

A key focus in 2014 will be to further improve capital efficiency, particularly through the reduction of drilling costs, building on analogue experience in North America and recent drilling efficiency improvements achieved by the operator on the TBNG JV lands. The 2014 budget anticipates an average 15 to 20% reduction in the cost to drill and frac vertical and horizontal wells compared to earlier cost experience in the Thrace Basin, primarily through faster drilling times. The Corporation is targeting an average cost in 2014 of $3.0 million (gross) to drill a typical horizontal well to a vertical depth of 1,000 metres with an 800 metre horizontal leg and to complete it with a 10-stage frac. These horizontal wells are expected to be longer with more frac stages compared to the initial three wells drilled in 2013. The cost to drill a vertical well to a depth of 1,400 metres and to complete it with a 4-stage frac is targeted at $1.9 million (gross). The typical cost for well re-entry frac is estimated at $0.5 million (gross).

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 for wells 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% and 75%, respectively, 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 2014 work program and budget, operational plans and costs (seismic, drilling and fracing) for the tight gas and shallow gas development programs in the Thrace Basin; the ability to reduce costs, achieve capital efficiencies, increase production and the associated corporate sales outlook; the availability of operating cash flow and the ability to finance development; the continued drilling of horizontal wells to be completed with multi-stage fracs and the expected impact thereof; the future development program in the Thrace Basin; the potential for additional re-completions and a follow-on development program in the Mezardere Formation; the timing, estimated costs and ability to fund each of the foregoing; and, the plans to attract a joint venture partner and drill an exploration well on the Banarli Licence and the costs, timing, funding and potential upside thereof. 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, fracing and re-completion activity, including the extent and pace of tight gas delineation and development drilling in the Tekirdag area and the funding thereof; the prospectivity of the Osmanli area and potential for higher reservoir pressures; the ability to manage water production; future production rates, capital efficiencies 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 the spudding deadline under the Banarli Licence 5104; the ability to attract partners and negotiate farm-in arrangements, in particular on the Banarli Licence 5104; 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, the Corporation's 2014 work program and budget are based upon the current work programs proposed by 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 fracing and other specialized oilfield equipment and service providers, 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 secure farm-in partners; the risk of being unable to meet drilling deadlines and the requirements under licences and leases (including the Banarli Licence 5104); uncertainty regarding the amount of operating cash flow and the ability to reduce costs and achieve capital efficiencies; 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 fluctuations in commodity pricing and BOTAS pricing (in Turkish Lira); the risk of fluctuations in foreign exchange rates, particularly the Turkish Lira, which has weakened in the past year; 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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