Press Release – May 15, 2016

VALEURA ANNOUNCES BINDING LETTER AGREEMENT WITH STATOIL FOR FARM-OUT ON BANARLI LICENCES IN TURKEY

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to announce that its wholly-owned affiliate, Corporate Resources B.V. ("**CRBV**") (collectively "**Valeura**") has entered a binding letter agreement (the "**Letter Agreement**") with Statoil Holding Netherlands B.V. ("**Statoil**") a wholly-owned affiliate of Statoil ASA for a farm-out agreement for the exploration of the deeper formations below approximately 2,500 metres where over-pressure is expected on Valeura's two 100% owned and operated Banarli exploration licences (the "**Banarli Licences**") in the Thrace Basin of Turkey. The Banarli Licences encompass an area of 540 square kilometres or 133,840 gross acres near the centre of the basin. The Letter Agreement is subject to satisfaction of certain conditions precedent including the execution of definitive agreements and the approval of the General Directorate of Petroleum Affairs ("**GDPA**") of the Republic of Turkey for the associated licence interest transfers, which is expected to occur before the end of September 2016.

Under terms of the agreement, Statoil will have the option to earn 50% in the deep formations on the Banarli Licences by investing in an exploration program that includes payments and carried costs of at least US$36 million for Statoil to earn its interest. The actual amount invested to earn its 50% interest may be higher based on the actual agreed work program under the three phases to satisfy the commitments described below. Valeura will operate the deep exploration program during the earning phase under the Letter Agreement. Valeura will retain a 100% interest in the shallow formations in the Banarli Licences.

"We are excited and honoured to have Statoil as a joint venture partner", said Jim McFarland, President and Chief Executive Officer of Valeura. "Statoil is a highly regarded, major international energy company with the technical and financial resources and unconventional experience to make a decisive contribution to the evaluation of the basin-centered gas play potential in the Thrace Basin. Partnering with a global leader like Statoil validates the potential of our assets and the progress we have made to understand the basin and to develop its tight gas resources. By virtue of our retained 100% interest in the shallow formations under the Agreement, our planned shallow gas drilling program on the Banarli Licences is expected to proceed as planned."

TERMS OF THE LETTER AGREEMENT

Under the terms of the Letter Agreement, Statoil will fund the exploration program in the deep formations on the Banarli Licences as follows:

Phase 1 Commitment (2016 & 2017)

- Statoil will pay Valeura US$6.0 million as a contribution to back costs incurred on the Banarli Licences upon the approval by the GDPA of the transfer of a 50% interest in the licences to Statoil. At the same time, Valeura will seek GDPA approval to register its 100% interest in the shallow formations.
- Statoil will pay no less than US$10 million for the Phase 1 Commitment directed to the drilling, evaluating, completing, fracing and testing of a Phase 1 well to be drilled to the greater of 4,000 metres or a depth that intersects the upper 450 metres of the Teslimkoy formation, with a target spud date by year-end 2016. The actual agreed work program and investment by Statoil for this phase may exceed the minimum amount.

Phase 2 Commitment (2017)

- If Statoil elects to proceed to Phase 2, it will pay no less than US$10 million for the Phase 2 Commitment directed to acquiring 3D seismic over the Banarli Licences at a minimum equivalent cost. The actual agreed work program and investment by Statoil for this phase may exceed the minimum amount.
- If Statoil elects to exit after Phase 1, it will pay a penalty of US$10 million and relinquish its interest in the Banarli Licences back to Valeura. At that point, Statoil would have invested a minimum of US$26 million.

Phase 3 Commitment (2018)

- If Statoil elects to proceed to Phase 3, it will pay no less than US$10 million for the Phase 3 Commitment directed to drilling a Phase 3 well based on the same parameters as the Phase 1 well. The actual agreed work program and investment by Statoil for this phase may exceed the minimum amount.
- If Statoil elects to exit after Phase 2, it will pay a penalty of US$5 million and relinquish its interest in the Banarli Licences back to Valeura. At that point, Statoil would have invested a minimum of US$31 million.

At the completion of the Phase 3 Commitment, Statoil would have invested at least US$36 million to complete the earning of its 50% interest in the Banarli Licences. Following the earning phase, Statoil will have the option to assume operatorship of the joint venture.

The parties have an exclusive arrangement until July 29, 2016 to negotiate and enter into definitive agreements, including the farm-out agreement and joint operating agreement. Both parties have received necessary executive and board approvals. There is no certainty that the parties will be able to reach definitive agreements or that the GDPA will approve the licence transfers.

ABOUT STATOIL

Statoil ASA is an energy company primarily engaged in oil and gas exploration and production activities. The company is a public limited liability company organized under the laws of Norway and subject to the provisions of the Norwegian Public Limited Liability Companies Act. The Norwegian State is the largest shareholder in Statoil ASA, with a direct ownership of 67%. The company has business operations in more than 30 countries and employs 21,100 employees worldwide. The company is present in several of the most important oil and gas provinces in the world and has extensive experience in unconventional plays in the Marcellus, Bakken and Eagle Ford formations in North America. In 2015, 37% of Statoil's equity production came from international activities.

ABOUT VALEURA

Valeura Energy Inc. is a Canada-based public company currently engaged in the exploration, development and production of petroleum and natural gas in Turkey. Valeura, through its wholly-owned affiliate CRBV, holds a 100% interest in two exploration licences in the Thrace Basin of Turkey designated as F18-c1, c2, c3, c4 and F19-d1, d2 collectively referred to as the Banarli Licences. Valeura acquired the Banarli Licences in 2013 through an application process and has completed 92 kilometres of 2D seismic, 152 square kilometres of 3D seismic and drilled two shallow gas discovery wells in the Osmancik and Danismen formations at depths ranging from 1,300 to 2,000 metres. The two wells were deepened to a depth range of 2,700 to 2,900 metres and confirmed the existence of over-pressure in the Teslimkoy formation below approximately 2,500 metres consistent with the Corporation's geological model of a potential basin-centered gas play below an interpreted pressure seal at that depth.

ADVISORY AND CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements including, but not limited to: the Agreement and the ability to satisfy the conditions for closing, including executing the definitive agreements and securing GDPA approval for the transfer of the licence interests and the expected timing; the anticipated closing date of the Agreement; the ultimate investment by Statoil under the Agreement and its ability to earn a 50% interest in the Banarli Licences; the anticipated spud date of the Phase 1 well; the existence of a pressure seal and over-pressure below a depth of approximately 2,500 metres on the Banarli Licences; and the Corporation's planned shallow drilling program into the Danismen and Osmancik formations on the Banarli Licences. 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 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 negotiating definitive agreements and the ability to agree on final terms; 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); political stability in Turkey, including potential changes in political leaders or parties; the risks of increased costs and delays in timing related to protecting the safety and security of Valeura's personnel and property; 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 2015 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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