

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 1, 2015) - [Esrey Energy Ltd.](#) ("Esrey" or the "Company") (TSX VENTURE:EEL) is pleased to announce that it has entered into a debt settlement agreement to settle in full the matured non-revolving credit facilities owed by the Corporation's subsidiary, Kaynes Capital S.a.r.l. ("Kaynes"), to an arm's length creditor (the "Creditor"). At maturity Kaynes owed US\$3,377,776 under the credit facilities.

In exchange for settlement of the amount due, the Company, through its wholly owned subsidiaries, will:

- Repay US\$1,600,000;
- Fund the Creditor's share of certain work programs in Papua New Guinea ("PNG") that the parties are involved in; and
- For a period of 72 months after the date of closing, acquire any new oil and gas licenses in PNG through the Company's subsidiary, Telemu No. 18 Limited, in which the Creditor has a 15.75% indirect interest.

The debt settlement agreement closed effective March 31, 2015. Further details are available in the debt settlement agreement filed on [www.sedar.com](#).

Esrey also announces the Company entered into a binding agreement to withdraw (the "Withdrawal Agreement") from the Company's Polish investment in Saponis Investments Sp. z.o.o. ("Saponis"). In accordance with the Withdrawal Agreement, the Company transferred its 42.96% interest in Saponis to BNK Poland Holdings B.V. ("BNK"), paid the final cash call of US\$100,000 and assigned and forgave its loans receivable from Saponis in exchange for BNK assuming the future obligations of Saponis. The transaction closed on March 31, 2015.

Esrey announces the Company has granted 2,376,000 stock options pursuant to its previously approved stock option plan to directors, officers, employees and consultants of the Company. The options are exercisable over 5 years at an exercise price equal to the Company's closing price on April 2, 2015, with one third vesting immediately, one third in 6 months and one third in 12 months.

"While it is unfortunate that the unconventional reservoirs in Poland have failed to yield commercial results thus far, the Company is moving strongly forward and focusing upon our core conventional assets in Papua New Guinea. With a clean balance sheet, our near-term focus will be on the upcoming well to be drilled on our PPL 486 license in PNG and our ongoing evaluation of additional opportunities," remarked David Nelson, President and CEO.

About Esrey

Esrey is a Canadian exploration and development company focused on developing oil and gas properties in Papua New Guinea and Bulgaria. In Papua New Guinea, Esrey holds a 16.85% net interest in PPL 486, covering approximately 530,000 acres, an 84.25% interest in PPL 321 in northern Papua New Guinea, covering approximately 1.8 million gross acres, and a 20% net interest in PRL 13, covering approximately 40,000 gross acres. Subject to fulfillment of work commitments under a Farm-in Agreement, Heritage acquired an aggregate 80% interest in PPL 486 and PRL 13. Esrey has entered into a farm-in agreement relating to 405,080 acres of prospective argillite formation in Bulgaria with Direct Petroleum Bulgaria EOOD, a subsidiary of TransAtlantic Petroleum Ltd. Esrey shares trade on the TSX Venture Exchange under the symbol "EEL".

ESREY ENERGY LTD.

David Nelson, President & CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans and estimates of management at the date the information is provided and certain factors and assumptions of management. Forward looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risks related to unsatisfactory results of due diligence, international operations and doing business in foreign jurisdictions, risks associated with the oil and gas industry and exploratory and development activities generally (e.g., operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, risks associated with equipment procurement and equipment failure), the risk of commodity price and foreign exchange rate fluctuations, risks related to future royalty rate changes, and risks and uncertainties associated with securing and maintaining necessary regulatory approvals, and counterparty risk related to the stability and viability of the Company's joint venture participants.

Shares Outstanding: 39,762,771

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