

CALGARY, AB--(Marketwired - May 27, 2015) - [Tourmaline Oil Corp.](#) (TSX: TOU) ("Tourmaline" or the "Company") is pleased to provide results from the initial discovery and ongoing delineation of the liquid rich Lower Montney Turbidite lobe in the Dawson-Doe area of NEBC.

The initial discovery was made during the fourth quarter of 2013, and over the past 16 months the Company has now tested the horizon with ten, widely-spaced, horizontal delineation wells.

The initial discovery well, at D05-5-80-15-W6, had a 30 day IP rate of 1,426 boepd and is currently producing 577 boepd (2.4 mmcfpd gas, 173 bbls/day condensate) after 421 days of production. The well has produced 366 mstboe (1.5 bcf of gas, 116.3 mstb of condensate) of the 661 mstboe of proved plus probable reserves currently assigned by GLJ (Dec. 31, 2014). The average wellhead condensate yield to date is 77 bbls/mm, the current yield is 72 bbls/mm.

The average 30 day IP rate of the 4 initial wells with over 1 month of production is 1,252 boepd (5.3 mmcfpd, 372 bpd condensate) including one well where only 50% of the stages in the horizontal were completed. The average wellhead condensate yield over the 30 producing days for these 4 wells was 70.5 bbls/mm.

Tourmaline has also acquired considerable 3D seismic to assist in imaging the deep and relatively subtle Montney Turbidite horizon. The seismic and drilling results were utilized to guide the play consolidation and acquisition strategy. The Company estimates that it now controls a total of 234 undrilled Lower Turbidite horizontal locations on existing Tourmaline lands.

Depending upon the ultimate pace of development, the Company estimates that the Lower Turbidite development project could add an incremental 75-100 mmcfpd of gas production and 7,500-10,000 bpd of condensate production to the existing NEBC Company production levels estimated in the current 5 year development outlook. The Lower Turbidite development will complement the ongoing Upper and Middle Montney development where the Company has drilled its highest deliverability wells to date in both horizons in 2015.

Tourmaline expects to expend a total of \$110 million on the Lower Turbidite play in 2015 including both EP drilling and acquisitions. A large proportion of the 2015 funds for this project were made available by the deferral of the originally planned 2015 Sundown development, which was deferred into 2016.

Tourmaline has reduced NEBC Montney horizontal drilling and completion costs to approximately \$3.7 million per well in 2015, hence the NEBC Lower Montney Turbidite play has very attractive economics.

Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable securities laws. The use of any of the words "forecast", "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "could", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information. More particularly and without limitation, this press release contains forward-looking information concerning Tourmaline's plans and other aspects of its anticipated future operations, management focus, objectives, strategies, financial, operating and production results and business opportunities, including anticipated petroleum and natural gas production for various periods, cash flows, capital spending, projected operating and drilling costs, the timing for facility expansions and facility start-up dates, as well as Tourmaline's future drilling prospects and plans, including the quantity of drilling locations in inventory, business strategy, future development and growth opportunities, prospects and asset base. The forward-looking information is based on certain key expectations and assumptions made by Tourmaline, including expectations and assumptions concerning: prevailing commodity prices and exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve volumes; operating costs; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions; the availability and cost of labour and services; the state of the economy and the exploration and production business; the availability and cost of financing, labor and services; and ability to market oil and natural gas successfully.

Although Tourmaline believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Tourmaline can give no assurances that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Additional information on these and other factors that could affect Tourmaline, or its operations or financial results, are included in the Company's most recently filed Management's Discussion and Analysis (See "Forward-Looking Statements" therein), Annual Information Form (See "Risk Factors" and "Forward-Looking Statements" therein) and other reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Tourmaline's website (www.tourmalineoil.com).

The forward-looking information contained in this press release is made as of the date hereof and Tourmaline undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless expressly required by applicable securities laws.

Additional Reader Advisories

BOE CONVERSIONS

Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

PRODUCTION TESTS

Any references in this release to IP rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue to produce and decline thereafter and are not necessarily indicative of long-term performance or ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

DRILLING LOCATIONS

This news release discloses drilling locations in four categories: (i) proved undeveloped locations; (ii) probable undeveloped locations; (iii) unbooked locations; and (iv) an aggregate total of (i), (ii) and (iii). Proved undeveloped locations and probable undeveloped locations are booked and derived from the Corporation's most recent independent reserves evaluation as prepared by GLJ as of December 31, 2014 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the Corporation's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Unbooked locations have been identified by management as an estimation of the Company's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which the Company will actually drill wells is ultimately dependent upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production. Of the 234 undrilled Lower Turbidite horizontal locations disclosed in this news release, 208 are unbooked.

CERTAIN DEFINITIONS

boepd barrel of oil equivalent per day
mmcfpd million cubic feet per day

ABOUT TOURMALINE OIL CORP.

Tourmaline is a Canadian intermediate crude oil and natural gas exploration and production company focused on long-term growth through an aggressive exploration, development, production and acquisition program in the Western Canadian Sedimentary Basin.

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