

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Sep 22, 2015) - [Esrey Energy Ltd.](#) ("Esrey" or the "Company") (TSX VENTURE:EEL) along with its subsidiaries Telemu No 18 Ltd ("Telemu") and LNG Energy (PNG) Ltd. ("LNG Energy") have been notified by Heritage Oil Ltd. ("Heritage") that Heritage will not be funding the drilling of the first exploration well on PPL 486 and therefore will not fulfill its final commitment under the Farm-in Agreement dated March 5<sup>th</sup>, 2013 and as Amended on May 30, 2014 and July 12, 2015. Under the Farm-in Agreement Heritage now has the option to withdraw from PPL 486 and PRL 13 licenses (the "Licenses") or to retain a 40% participating interest in the Licenses. Heritage has advised Esrey that Heritage wishes to retain a 40% participating interest and as a result will re-transfer the other 40% participating interest in the Licenses back to Esrey. In accordance with the Farm-in Agreement, Telemu and LNG Energy will assume operatorship of the Licenses.

The Company and Heritage are currently in discussions concerning the process and timing for the re-transfer of the participating interest in the Licenses and the transfer of operatorship. Upon the re-transfer, Esrey, through Telemu and LNG Energy, will hold a 50.55% net interest in PPL 486 and a 60% net interest in PRL 13.

"While we are disappointed at this turn of events, a significant amount of work on the Tuyuwopi oil prospect has further defined the target over the recent years. Esrey is preparing to resume its former role as operator and move quickly to secure the future of our interests in both PPL 486 and PRL 13," stated 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. Prior to the events described above, in Papua New Guinea, Esrey holds a 16.85% net interest in PPL 486, covering approximately 530,000 acres, a 20% net interest in PRL 13, covering approximately 40,000 gross acres, and an 84.25% interest in PPL 321 in northern Papua New Guinea, covering approximately 1.8 million gross acres. 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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