

CALGARY, ALBERTA--(Marketwired - Dec 1, 2015) - [Americas Petrogas Inc.](#) ("Americas Petrogas" or the "Company") (TSX VENTURE:BOE) announces that it has filed its third quarter 2015 consolidated financial statements and Management's Discussion and Analysis ("MD&A"). These filings can be accessed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) website: www.sedar.com and on the Company's website at www.americaspetrogas.com.

The following Summary of Selected Financial and Operational Highlights have been derived from the consolidated financial statements and MD&A. Readers are strongly encouraged to review the entire consolidated financial statements and MD&A.

All amounts are in Canadian dollars unless otherwise stated.

Summary of Selected Financial and Operational Highlights

(\$ in thousands)	September 30, 2015	December 31, 2014
Cash and cash equivalents	\$ 66,697	\$ 14,718
Working capital ⁽¹⁾	\$ 66,293	\$ 5,518

(\$ in thousands, except share, per share, and per barrel amounts)	Three months ended September 30		Nine months ended September 30	
	2015	2014	2015	2014
Crude oil sales	\$ 4,524	\$ 6,775	\$ 24,734	\$ 23,991
Net revenue ⁽²⁾	\$ 3,648	\$ 5,591	\$ 20,338	\$ 20,100
Net income (loss) attributable to owners of the Company ⁽³⁾	\$ (19,998)	\$ (5,130)	\$ (30,327)	\$ (44,700)
Earnings (loss) per share - basic and diluted	\$ (0.09)	\$ (0.02)	\$ (0.13)	\$ (0.20)
Capital expenditures	\$ 1,699	\$ 1,658	\$ 9,620	\$ 16,600
Average barrels sold per day	486	825	959	1,034
Average selling price per barrel	\$ 101.12	\$ 89.27	\$ 95.56	\$ 85.70

Notes:

- (1) Working capital is a non-GAAP measure and is calculated as current assets less current liabilities. Working capital is used to assess liquidity and general financial strength. Working capital does not have a standardized meaning prescribed by IFRS. It is unlikely for non-GAAP measures to be comparable to similar measures presented by other companies. Working capital should not be considered an alternative to, or more meaningful than current assets or current liabilities as determined in accordance with IFRS.
- (2) "Net revenue" is an additional GAAP measure because it is presented in the consolidated statement of income (loss). Net revenue is calculated as crude oil sales less royalties. The Company uses "net revenue" as an indicator of operating performance.
- (3) For the three months ended September 30, 2015, net loss attributable to owners of the Company included \$3.3 million of non-cash, foreign exchange gains (three months ended September 30, 2014 -- \$2.2 million of non-cash, foreign exchange gains) on intercompany loans. For the nine months ended September 30, 2015, net loss attributable to owners of the Company included \$3.2 million of non-cash, foreign exchange gains (nine months ended September 30, 2014 -- \$21.7 million of non-cash, foreign exchange losses) on intercompany loans. During the three months ended September 30, 2015, as a result of sale of 100% of the common shares of Petrogas Argentina, the Company reclassified \$18.0 million of previously recognized other comprehensive loss as foreign exchange loss through the statement of income (loss).

Highlights and Recent Activities

CORPORATE

• On August 28, 2015 the Company closed a sale transaction (the "Transaction") pursuant to which Tecpetrol International S.A. and Tecpetrol Internacional S.L. (Unipersonal) (collectively, "Tecpetrol" or the "Purchasers") acquired all of the issued and outstanding common shares of Americas Petrogas Argentina S.A. ("Petrogas Argentina"), and assumed certain intercompany indebtedness owing by Petrogas Argentina to the Company and its other subsidiaries, for an aggregate gross purchase price of \$88.0 million (subject to any post-closing adjustments in accordance with the terms of the sale agreement). As part of the sale of the Petrogas Argentina shares, the Purchasers also assumed the third party financial debt of Petrogas Argentina in the amount of approximately \$3.1 million.

Following completion of the Transaction, the Company, through its other wholly-owned Argentine subsidiary, Energicon, has retained interests in several conventional and unconventional properties in the Neuquén Basin of Argentina. The assets disposed of as part of the sale of the shares of Petrogas Argentina included, among others, Medanito Sur, the Company's major revenue-producing property.

- As at September 30, 2015, the Company had \$66.7 million of consolidated cash and cash equivalents and had a positive consolidated working capital position of \$66.3 million (working capital is calculated as current assets (\$82.1 million) less current liabilities (\$15.8 million)). The difference between the \$88.0 million gross purchase price of the Transaction and the \$66.3 million positive working capital position at September 30, 2015 is primarily attributable to: (i) \$7.3 million of the gross proceeds being classified as non-current assets at September 30, 2015, and (ii) \$11.7 million of employee benefits expense (termination costs) recognized during the third quarter of 2015 relating to employees and former employees in Argentina.
- In connection with the Tecpetrol Transaction, the Company has received three (3) unwithdrawn notices purporting to exercise dissent rights in respect of 23,637,000 common shares, representing approximately 10% of the issued and outstanding common shares of Americas Petrogas. Pursuant to section 191 of the *Business Corporations Act* (Alberta) (the "Act"), each shareholder who has exercised dissent rights is entitled to be paid fair value for the shares in respect of which such shareholder has properly dissented in accordance with the Act. The Company delivered to each of the three dissenting shareholders an offer of fair value which offers were conditional upon the Company's completion of the Transaction. The offers were subsequently rejected by the dissenting shareholders and a judicial action has been commenced to determine fair value of the shares dissented. The Company is in ongoing discussions with one of the three dissenting shareholders and is working towards an amicable and acceptable resolution for both parties.

Operational Update

ARGENTINA

- *Totoral* -The Company has submitted to Gas y Petroleo del Neuquen, a request for an extension of the Company's commitment obligations on the Totoral block (90% net working interest). The Company anticipates approval of this requested extension before year-end. As part of the extension request, the Company has proposed to relinquish its interest in the Yerba Buena and Bajada Colorada blocks. The financial commitment on the Totoral block is estimated to be US\$5.5 million. The Company anticipates drilling one horizontal exploration well in the second half of 2016 to test the Vaca Muerta shale oil play at an estimated cost of US\$4.0 million.
- *Loma Ranqueles* - The Company and its joint venture partner, Tecpetrol, have submitted, to Gas y Petroleo del Neuquen, a request for an extension until June 2017 of commitment obligations relating to the Loma Ranqueles block (Company has a 20% net working interest). The Company anticipates approval of this requested extension before year-end. The Company's remaining share of financial commitment is estimated to be US\$3.0 million. The Company is in discussions with Tecpetrol regarding the location for drilling and the timing for fulfilling the commitment obligations.
- *Vaca Mahuida*- Subject to receiving the necessary assignments, approvals and exploitation permit, the Company intends to tie-in two previously-drilled gas wells on the block and place them on production in late 2016.
- *Rinconada Norte* - The concession term is expiring in January 2016 and the Company is seeking a favorable extension with the provincial government.
- *Huacalera* -There are no immediate plans for this block at this time.
- *Energicon Registration as Operator* -- The Secretary of Energy has re-confirmed Energicon as a qualified oil and gas operator in Argentina.

PERU

- An update of the Bayovar Phosphate Resource Report (filed on SEDAR in May 2015) for the 35 boreholes drilled in early 2011 and the infill sampling of drill holes from 2011 and 2012 is currently underway with results intended to be announced in January 2016.
- The Company has resumed its exploration efforts on the Bayovar concession and has begun a new drilling program. Drilling commenced in early November on the Bayovar 5 concession block. An initial phase of eight (8) wide spaced reconnaissance drill holes were drilled to test for near surface phosphate-bearing beds. Five of the eight (8) drill holes encountered the favorable Diana Formation with preliminary indications of the depth to top of the first phosphate bed encountered at about 12 meters below surface.
- Additionally, follow up infill and resource expansion drilling commenced on the Bayovar 7 concession block. A total of 48 drill holes, based on 800 and 400 meters spacing, will be conducted in this phase of drilling at Bayovar 7. To date, a total of 20 of the initial 48 drill holes have been completed. Initial observations from the first 20 drill holes indicates that the target phosphate bearing Diana Formation has been encountered in all 20 holes with depth to top of the first phosphate bed encountered at 3-4 meters below surface in the Lower Playa Zone and 15-18 meters below surface in the upper Tablazo Zone.
- The current drilling program on the Bayovar 5 and 7 concessions is scheduled to continue through to mid-December 2015 and will resume in early January 2016.
- The Company is in active discussions with several engineering firms to undertake an initial Preliminary Economic Assessment (PEA) for the Bayovar 5 and Bayovar 7 concession blocks (focusing primarily on phosphates), with the intent of moving these phosphate project areas forward to the Preliminary Feasibility Study (PFS) stage in late 2016.
- A pilot evaporation pond for Potash/Carnallite and other minerals from the brine reservoir area on the Bayovar 5 concession has been constructed. Pending favorable results from the evaporation pond expected over the next 3-4 months, an expansion of these ponds will be undertaken to further study the recoveries and determine future plans for commercial production.

2016 CAPITAL BUDGET

To complete the above outlined work program in Argentina and Peru with an objective to enhance the value of the Company's

assets, the Company is targeting capital spending in 2016 to be in the order of US\$15.0 million to US\$20.0 million. These capital expenditures are expected to be funded from existing cash on hand and by leveraging it to explore third party funding sources such as joint venture partners. A detailed work program and budget will be released in the first quarter of 2016 when cost estimates proposals are received from various third party contractors in Argentina and Peru and after further analysis.

For additional information on this financial and operational update, please see the Company's December 2015 corporate presentation at www.americaspetrogas.com.

About Americas Petrogas Inc.

[Americas Petrogas Inc.](#) is a Canadian company whose shares trade on the TSX Venture Exchange under the symbol "BOE". Americas Petrogas has conventional and unconventional shale oil and gas and tight sands oil and gas interests in numerous blocks in the Neuquén Basin of Argentina. Americas Petrogas and Indian Farmers Fertiliser Co-operative Limited (IFFCO) own GrowMax Agri Corp., a private company involved in the exploration for near-surface phosphates, potash and other minerals, and potential development of a fertilizer project in Peru.

Forward-Looking Information

Certain statements contained in this Press Release constitute "forward-looking information" as such term is used in applicable Canadian and US securities laws. Any information or statements contained herein that express or involve discussions with respect to predictions, expectations, plans, projections, objectives, assumptions or future events should be viewed as forward-looking information. Such information relate to analyses and other information that are based upon forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Such forward looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different than those results, performance or achievements expressed or implied by such forward looking information.

In particular, statements (express or implied) contained herein or in the Company's MD&A regarding the following should be considered as forward looking information: the Company's goals and growth strategy; targeted capital spending; work programs and budget; matters involving dissenting shareholders; future petroleum production levels, drilling activities, well tie-in activities, costs, concession renewals and possible joint venture partners on the Company's Argentina oil and gas properties; exploration efforts, drilling results and activities on the Bayovar concession (including results from the pilot evaporation pond and the expansion of such ponds); and timing, results and finding of all reports, economic assessments and feasibility studies on the Company's Bayovar concession.

In addition, information regarding the reserve and resource estimates attributable to the Company's oil and gas properties or mineral resource properties should be considered forward looking statements. In particular, the presence of phosphates in samples is not necessarily indicative that phosphates are capable of being successfully produced in commercial quantities or at all. There is no assurance reserves will be assigned to such phosphate-bearing formations. There is no assurance that future trenches will be dug or that future wells will be drilled on the Bayovar Property or that if dug/drilled, will be successful.

Additional forward-looking information is contained in the Company's interim MD&A, and reference should be made to the additional disclosures of the assumptions, risks and uncertainties relating to such forward-looking information in that document.

There is no assurance that such forward-looking information will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements contained in this Press Release. This cautionary statement expressly qualifies the forward-looking statements contained herein and in the MD&A.

Forward-looking information is based on management's beliefs, expectations, estimates and opinions on the date statements are made and the Company undertakes no obligation to update forward-looking information and whether the beliefs, expectations, estimates and opinions upon which such forward-looking information is based has changed, except as required by applicable law.

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