

CALGARY, ALBERTA--(Marketwired - Aug. 10, 2016) - [Lightstream Resources Ltd.](#) (the "Company" or "Lightstream") (TSX:LTS) announces that, in connection with our previously announced proposed recapitalization transaction to be implemented by way of a plan of arrangement under the *Canada Business Corporations Act* (the "Arrangement"), the Company continues to seek, but has not yet obtained, sufficient commitments from lenders to provide a new revolving credit facility to the Company upon completion of the Arrangement (the "New Facility Commitments"). The receipt of the New Facility Commitments by August 9, 2016 was a condition to the continuation, through August 12, 2016, of the previously announced forbearance by the Company's lenders, under which the lenders agreed to forbear from exercising their enforcement rights and remedies arising on account of existing defaults under the existing revolving credit facility. As a result, the lenders' forbearance has expired; however, the lenders have not indicated to the Company that they have any current intention to exercise any enforcement rights in respect of the Company's existing credit facility. The Company has requested an extension to the forbearance and is in continuing discussions with both our existing lenders with respect to the forbearance extension and with potential lenders under our proposed new revolving credit facility. Subject to the Company obtaining satisfactory commitments to provide the new revolving credit facility, we anticipate entering into a second forbearance agreement with the lenders to extend the forbearance through the anticipated completion of the Arrangement and implementation of a new revolving credit facility.

In addition, under the terms of the restructuring support agreement (the "Support Agreement") between the Company and an ad hoc committee (the "Ad Hoc Committee") of certain holders of the Company's 9.875% second lien secured notes due 2019, described in detail in our July 12, 2016 press release, the Company was required to obtain the New Facility Commitments by August 9, 2016. As a result of the Company's failure to obtain these commitments to-date, under the terms of the Support Agreement the Ad Hoc Committee may require that the Company commence proceedings, and seek an initial order, under the *Companies' Creditors Arrangement Act* (the "CCAA") to implement a sale of all or substantially all of the Company's business and assets. The Ad Hoc Committee has advised the Company that it does not currently require such proceedings or such action to be taken; however, the Ad Hoc Committee has reserved its right to do so at any time. The Company will continue to advise the Ad Hoc Committee on our progress in securing the New Facility Commitments.

The Company will continue to provide updates with respect to the proposed Arrangement, including the holding of special meetings on September 13, 2016 of the holders of our common shares (the "Shareholders"), the holders of our 9.875% second lien secured notes due 2019 (the "Secured Noteholders") and the holders of our 8.625% unsecured notes due 2020 (the "Unsecured Noteholders") at which meetings the Shareholders, Secured Noteholders and Unsecured Noteholders will, respectively, be asked to approve the Arrangement.

Readers are urged to consult the Company's press releases issued July 12, 2016, July 13, 2016, July 28, 2016 and August 5, 2016 for further details respecting the proposed recapitalization and the Arrangement.

Lightstream Resources Ltd. is an oil and gas exploration and production company focused on light oil in the Bakken and Cardium resource plays. We are committed to delivering industry leading operating netbacks, strong cash flows and consistent operating results through leading edge technology applied to a multi-year inventory of existing and emerging resource play opportunities. Our long-term strategy is to efficiently develop our assets and deliver an attractive dividend yield.

Forward-Looking Information. Certain information provided in this press release constitutes forward-looking information (within the meaning of applicable Canadian securities laws). Specifically, this press release contains forward-looking information in respect of the Company's proposed Arrangement and the matters related thereto, including the anticipated timing of certain events, the Company being able to receive all required securityholder approvals to consummate the Arrangement, the ability to enter into extension of the forbearance agreement with the Company's current lenders, the execution of a second forbearance agreement with its lenders, the ability to enter into binding commitment letters for the new revolving credit facility of the Company, the current intention of the Company's lenders to not take any enforcement action, and the current intention not to pursue CCAA proceedings and a CCAA sale transaction. The forward-looking statements are based on information currently available as well as certain expectations and assumptions. Although Lightstream believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Lightstream can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks, which risks include, without limitation that the Company may not be able to complete the recapitalization, including the Arrangement, on the timeline or on the terms currently contemplated or at all, that the Company's lenders may undertake actions to enforce their security, that the Ad Hoc Committee may require the Company to pursue CCAA proceedings and a CCAA sale transaction, the recapitalization may have an effect on the Company other than what is currently anticipated, the pursuit of the recapitalization, Arrangement and related activities may divert management time and attention away from other business matters, and that the Company's business is exposed to commodity price and exchange rate fluctuations and changes in the general conditions in the oil and gas industry and in general economic conditions. In addition, the Company is exposed to each of the risks set forth in the AIF which has been filed on SEDAR and can be accessed at www.sedar.com. Except as may be required by applicable securities laws, Lightstream assumes no obligation to publicly update or revise any forward-looking information provided herein or otherwise, whether as a result of new information, future events or otherwise.

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