

Charger Energy Corp. Confirms Recommendation to Vote In Favour of the Proposed Spyglass Plan of Arrangement

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CALGARY, March 19, 2013 - [Charger Energy Corp.](#) ("Charger") (TSX VENTURE:CHX) continues to believe that the proposed merger with [Pace Oil and Gas Ltd.](#) ("Pace") and [AvenEx Energy Corp.](#) ("AvenEx") to form [Spyglass Resources Corp.](#) ("Spyglass") (the "Merger") is in the best interest of Charger shareholders and recommends that Charger shareholders vote FOR the arrangement.

Pace, AvenEx and Charger also announce that they have agreed to set the initial Spyglass monthly dividend at \$0.0225 per share in order to solidify the sustainability of the Spyglass business model to reflect the current operating and commodity price environments.

Board Recommendation

The Board continues to believe the Merger is in the best interest of Charger shareholders as Spyglass would be a larger entity well suited to sustaining a dividend model, with approximately 18,000 boe/d of balanced oil and gas production, a low decline rate and abundant low-risk, light-oil upside. Spyglass will be led by a management team with a track record of creating value in a dividend paying entity who also have prior experience managing the majority of the assets that will form Spyglass. Spyglass has secured a \$400 million senior credit facility with a syndicate of lenders that is expected to have approximately 30% undrawn upon closing. Furthermore, the potential disposition of certain non-core properties within the combined asset base would provide a source of financing to further enhance the sustainability of the model.

Spyglass Dividend Policy

The boards of each of Pace, AvenEx and Charger have agreed to set the initial monthly dividend for Spyglass upon closing of the Merger at \$0.0225 per Spyglass share.

The dividend initially proposed for Spyglass was determined in November 2012 when the terms of the Arrangement between Pace, AvenEx and Charger were initially negotiated and the transaction was expected to close in mid February. Since this time, realized crude prices have declined substantially with western Canadian medium and heavy oil differentials widening relative to the WTI benchmark. In addition, delays in closing the transaction have restricted Spyglass from fully executing on its initially proposed capital program which was heavily weighted to the first quarter of 2013. The balance of the capital program will be delayed until after spring break up.

This adjustment to the initial dividend of Spyglass will increase the financial flexibility of Spyglass through 2013, with an additional \$1.0 million per month available for debt reduction and capital programs. Crude oil differentials and natural gas prices have strengthened in recent weeks and the companies have taken advantage of this strength to execute additional crude oil and natural gas hedges for 2013 and 2014. Spyglass will continue to actively hedge commodity prices going forward to protect a base level of cash flow.

Upon completion of the Merger, Spyglass will target a basic dividend payout ratio of 25% to 30% of cash flow and an all-in payout ratio (including capital expenditures) of 90% to 100% of its cash flow. The dividend policy of Spyglass will be at the discretion of the board of directors and will be reviewed monthly in the context of a number of factors including current and forecast commodity prices, foreign exchange rates, an active commodity price hedging program, status of current operations and future investment opportunities.

Spyglass Outlook

Each of Pace, AvenEx and Charger believe that Spyglass will create long term shareholder value through the introduction of an income and growth company of scale with a low decline, balanced commodity profile and a sustainable dividend.

The following projections incorporate \$10 - \$12 million in annual general and administrative savings

reflecting the efficiencies created by combining Pace, AvenEx and Charger into a single entity and do not incorporate any potential non-core asset sales or DRIP proceeds.

Pro Forma Financial & Operating Information

Shares Outstanding	~129 million
Credit Facility Capacity	\$ 400 million
Estimated Net Debt at Closing (1)	\$ 293 million
Expected Credit Facility Availability	\$ 107 million
Estimated Tax Pools	\$ 900 million
Estimated Production at Closing	17,500 boe/d
% Oil & Liquids	49%
2013 Outlook (2)	
Exit Production Forecast	18,000 boe/d
% Oil & Liquids	52%
Average Production Forecast (2)	16,000 boe/d
% Oil & Liquids	51%
Cash Flow Forecast (2)(3)(4)	\$ 104 million
Capital Expenditures (2)	\$ 70 - \$80 million
Dividends	\$ 26 million
Net Debt to Annualized Exit Cash Flow	2.1x
Basic Payout Ratio (2)	25%
All-in Payout Ratio (2) (5)	95% - 100%
Preliminary 2014 Outlook (3)(4)	
Average Production Forecast	~18,000 boe/d
% Oil & Liquids	53% - 55%
Capital Expenditures	\$ 90 - \$100 million
Dividends	\$ 35 million
Net Debt to Cash Flow	1.7x
Basic Payout Ratio	
All-in Payout Ratio(5)	80% - 85%

Notes:

(1) Pro forma net debt incorporates estimated transaction costs and excludes risk management assets and liabilities as of the closing date of the transaction.

(2) Assumes transaction closes March 31, 2013 with Pace as continuing issuer. 2013 outlook reflects one quarter of Pace projections and three quarters of pro forma Spyglass projections.

(3) Commodity price assumptions: 2013 - Edm Light C\$88.89, corporate realized crude oil and liquids price C\$74.23 at the wellhead, AECO \$3.39 / Mcf. 2014 - Edm Light C\$88.54, corporate realized crude oil and liquids price C\$79.42 at the wellhead, AECO \$3.79 / Mcf.

(4) Commodity price sensitivities: 2013 - a \$1.00/bbl change in realized crude oil prices, results in a \$0.9 million change in annualized cash flow; a \$0.50/Mcf change in natural gas prices, results in a \$6.0 million change in annualized cash flow. 2014 - a \$1.00/bbl change in realized crude oil prices, results in a \$2.5 million change in cash flow; a \$0.50/Mcf change in natural gas prices, results in a \$8.0 million change in cash flow.

(5) All-in Payout Ratio is defined as Capital Expenditures plus Dividends divided by Cash Flow.

Special Meetings of Shareholders

The directors of each of Pace, AvenEx and Charger have unanimously approved the Arrangement and continue to recommend that their respective shareholders vote in favour of the Arrangement. Shareholders of Pace, AvenEx and Charger are encouraged to review the joint information circular and proxy statement (the "Information Circular") of Pace, AvenEx and Charger dated January 18, 2013, which is available on SEDAR at www.sedar.com.

The special meetings of the shareholders of each of Pace, AvenEx and Charger to approve the Arrangement will be re-convened on March 26, 2013, as scheduled, in the Livingston Club Conference Centre, Livingston Place, South Tower, +15 Level, 222 - 3rd Avenue S.W., Calgary, Alberta commencing at 9:00 a.m. (Calgary time) for the holders of common shares of AvenEx, at 10:00 a.m. (Calgary time) for the holders of common

shares of Pace and at 11:00 a.m. (Calgary time) for the holders of common shares of Charger.

The Chairmen of each of the meetings has determined that it is in the best interest of all shareholders to extend the proxy deadline until 9:00 am (Calgary time) on March 25, 2013.

Shareholders of Pace, AvenEx and Charger who have not voted or wish to change their vote may do so by following the instructions set forth on the proxy or voting instruction form provided to them. A shareholder may also revoke a previously voted proxy with an instrument in writing, including another proxy, signed by the shareholder and delivered to Pace, AvenEx or Charger, as applicable. In order to revoke a proxy previously delivered by an intermediary or its agent, on their behalf, beneficial shareholders should carefully follow any revocation instructions set forth on the voting instruction form provided to them by their intermediary or agent.

Questions Concerning The Special Resolutions Contained Within The Information Circular Or Voting Procedures Can Be Directed As Follows:

Charger shareholders: contact CST Phoenix Advisors, by email at inquiries@phoenixadvisorscst.com, by telephone at 1-866-822-1240 (toll-free within Canada or the United States) or 1-201-806-2222 (banks, brokers and collect calls outside Canada and the United States) or by fax at 1-888-509-5907 (North American Toll Free Facsimile) or 1-647-351-3176.

New Proxies Or Changes To Previously Submitted Proxies Must Be Deposited As Follows:

Charger shareholders: Alliance Trust Company at #450, 407 - 2nd Street S.W., Calgary, Alberta T2P 2Y3, Attention: Proxy Department, not later than 9:00 a.m. (Calgary time) on March 25, 2013.

Reader Advisory and Note Regarding Forward Looking Information

This press release contains forward-looking information within the meaning of applicable securities laws and is based on the expectations, estimates and projections as of the date of this news release, unless otherwise stated. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "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: the anticipated benefits of the Merger to the shareholders of each of Charger, Pace and AvenEx, including anticipated synergies; potential financing sources; anticipated future production, cash flow, capital expenditures, dividends, payout ratios, decline rates, hedging programs, net debt to cash flow and credit facility availability; the receipt of and anticipated outcomes of alternative transaction proposals; the holding of the shareholder meetings of each of Charger, Pace and AvenEx and; the anticipated dividend payments of Spyglass following closing and the closing of the Merger. Such forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Investors are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions.

In respect of the forward-looking information and statements concerning the anticipated benefits and completion of the proposed Merger and the anticipated timing for completion of the Merger, each of Charger, Pace and AvenEx has provided such in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the ability of each of Charger, Pace and AvenEx to receive, in a timely manner, the necessary regulatory, court, shareholder, stock exchange and other third party approvals; the ability of each of Charger, Pace and AvenEx to satisfy, in a timely manner, the other conditions to the closing of the Merger; and expectations and assumptions concerning, among other things: commodity prices and interest and foreign exchange rates; planned synergies, capital efficiencies and cost-savings; applicable tax laws; future production rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labour and services. The proposed dividend of Spyglass may change as a result of fluctuations in commodity prices, production levels, capital expenditure requirements, debt service requirements, operating costs, royalty burdens, and the satisfaction of the liquidity and solvency tests imposed by the Business Corporations Act (Alberta) for the declaration and payment of dividends. Depending on these and other factors, many of which will be beyond the control of Spyglass, the dividend policy of Spyglass may change from time to time and, as a result, future cash dividends could be reduced or suspended entirely.

The anticipated dates provided may change for a number of reasons, including unforeseen delays in preparing meeting materials, inability to secure necessary shareholder, regulatory, court or other third party approvals in the time assumed or the need for additional time to satisfy the other conditions to the

completion of the Merger. Accordingly, readers should not place undue reliance on the forward-looking information contained in this press release. In respect of the forward-looking information, including the anticipated dividend payments of Spyglass following closing, each of Charger, Pace and AvenEx has provided such in reliance on certain assumptions that it believes are reasonable at this time, including assumptions in respect of: prevailing commodity prices, margins and exchange rates; that each of Charger's, Pace's and AvenEx's future results of operations will be consistent with past performance and management expectations in relation thereto; the continued availability of capital at attractive prices to fund future capital requirements relating to existing assets and projects, including but not limited to future capital expenditures relating to expansion, upgrades and maintenance shutdowns; the success of growth projects; future operating costs; that counterparties to material agreements will continue to perform in a timely manner; that there are no unforeseen events preventing the performance of contracts; and that there are no unforeseen material construction or other costs related to current growth projects or current operations.

Since forward-looking information addresses future events and conditions, such information by its very nature 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 industries in which each of Charger, Pace and AvenEx operates in general such as: operational risks; delays or changes in plans with respect to growth projects or capital expenditures; costs and expenses; health, safety and environmental risks; commodity price, interest rate and exchange rate fluctuations; environmental risks; competition; failure to realize the anticipated benefits of the Merger and to successfully integrate each of Charger, Pace and AvenEx; ability to access sufficient capital from internal and external sources; and changes in legislation, including but not limited to tax laws and environmental regulations. Risks and uncertainties inherent in the nature of the Merger include the failure of each of Charger, Pace and AvenEx to obtain necessary shareholder, regulatory, court and other third party approvals, or to otherwise satisfy the conditions to the Merger, in a timely manner, or at all. Failure to so obtain such approvals, or the failure of each of Charger, Pace and AvenEx to otherwise satisfy the conditions to the Merger, may result in the Merger not being completed on the proposed terms, or at all.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of each of Charger, Pace and AvenEx, and the combined company, are included in reports on file with applicable securities regulatory authorities, including but not limited to; the Annual Information Form for the year ended December 31, 2011 for each of Charger and AvenEx and for the year ended December 31, 2012 for Pace which may be accessed on their respective SEDAR profiles at www.sedar.com.

Any financial outlook or future oriented financial information in this press release, as defined by applicable securities legislation, has been approved by management of Charger, Pace and AvenEx. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's reasonable expectations as to the anticipated results of Spyglass and its anticipated business activities for the twelve months following the closing of the Merger.

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

Boes are presented on the basis of one Boe for six Mcf of natural gas. Disclosure provided herein in respect of 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.

Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

This joint news release does not constitute an offer to sell or the solicitation of an offer to buy any securities within the United States. The securities to be offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act or other laws.

The Toronto Stock Exchange and the TSX Venture Exchange have neither approved nor disapproved the contents of this press release.

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