Shoreline Energy Corp. Announces Termination of Merger and Review of Strategic Alternatives to Maximize Shareholder Value

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CALGARY, ALBERTA -- (Marketwired - Apr 1, 2014) - Shoreline Energy Corp. (TSX:SEQ) ("Shoreline" or the "Company") announces today that the merger transaction with Lilis Energy Inc. ("Lilis") has been terminated by both parties.

Having received an amended offer with a substantial reduction in purchase price, the Shoreline Board of Directors, after consultation with the Special Committee of the Board and its financial advisors and in light of certain inquiries with respect to a potential sale of the Company's Wattenberg assets, has determined the revised Lilis offer to not be fair, from a financial point of view, to Shoreline stakeholders.

In consideration of the disconnect between the Company's recent trading range and it's reserves value of over $100 million dollars, Shoreline will immediately commence consideration of strategic and financial alternatives available to the Company with the ultimate view of maximizing shareholder value. Strategic and financial alternatives may include, but are not limited to, the sale of the Company, merger or other business combination, recapitalization, sale of all or a portion of the Company's assets, or any combination thereof, as well as continued execution of its business plan, among all other alternatives.

In addition, the Board has concluded that any dividends that may become payable will be suspended until the completion of the review, at which time the dividend policy of the Corporation will be revisited.

About Shoreline Energy Corp.

Shoreline is a Calgary, Alberta based corporation engaged in the exploration, development and production of petroleum and natural gas. Shoreline offers investors a combination of value growth via lower risk development of additional oil reserves and production on its current lands.. Shoreline has 9,040,522 Common Shares outstanding and convertible debentures in the aggregate principal amount of $17,000,000 outstanding. The Common Shares are currently listed on the TSX under the trading symbol "SEQ" and the debentures under the trading symbol "SEQ.DB". Additional information regarding Shoreline is available under the Company's profile at www.sedar.comor at the Corporation's website, www.shorelineenergy.ca.

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