Super Nova Petroleum Corp.: Update for Eagle #1 Well

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct 1, 2014) - Super Nova Petroleum Corp., (CSE:SNP)(OTC:SNOVF) (the "Company" or "Super Nova" or "SNP") reports that BNV Eagle #1 well, which commenced drilling on the morning of Sept 6th in Super Nova's farmed in Milford Colony Lands, continues its process of post drilling evaluation. This property is Located in Lewis & Clark County North-West MT. USA, on the Alberta Bakken fairway. The information below is for the purpose of increasing investor transparency.

The pre-drilling objective of the well was a vertical test of an amplitude anomaly indicating hydrocarbons of estimated vertical depth 2,500-3,000' below surface (Figure 1.). Geologic interpretation prior to drilling was a gas filled structural trap of the upper cretaceous Eagle formation, charged with self-sourced biogenic gas. A slight "walk" of the drill bit up-dip was expected and thus surface location was set at approximately Shot Point 128 with the expectation that subsurface intersection with the anomaly would thus be assured, conservatively targeting the center of the anomaly. Prior to drilling it was recognized that differing outcomes were possible, the most likely of which: 1) the anomaly would be Eagle formation and full of biogenic self-sourced gas 2) the anomaly would be a volcanic sill of the Adel Volcanic Field of approximately 75 mya, thus of no value 3) the anomaly would be Eagle formation with migrated hydrocarbons, possibly oil generated in the Bakken source rock below that had migrated along the fault (lined in black below of Figure 1).

Figure 1. 2-D Seismic Cross Section is available at the following address: http://media3.marketwire.com/docs/141001_SNP_Figure1.pdf

Early in the drilling process a potential shallow oil play was discovered at around 560' based on visible oil noted in the drill cutting sample, as previously reported. Abundant oil stain on the sandstone lithology was a positive outcome that was not expected prior to drilling. The oil stained formation was subsequently identified as belonging to the Two Medicine Formation.

Drilling continued to a depth of 3,134' and the first Eagle formation was noted at 1,565', shallower than expected and eliminating the idea of the upper Eagle formation being the anomaly. Open-hole electric logging for formation evaluation was conducted to a depth of 2,470' at which point the tool string was unable to get past an obstacle. This was just above a depth of 2,500' where drilling fluids were lost to the formation while drilling. As a consequence of lost circulation gas reads and drill cutting samples were lost from 2,544' to 2,580' noted below as "Lost Circulation Zone". It is notable that at 2,465', just above the lost circulation zone, the top of a possible clean sandstone was indicated by the convergence of the bulk density and porosity density logs. The real time total gas hydrocarbon reads at this depth had increased, and increased significantly for the presence of heavier propane (C3) and butane (C4) gases, indicating the presence of oil. Gas reads remained consistently high until approximately 2,725'. In the finalized mud-gas log, received by Super Nova Sept 26th, trace oil was noted in the drill cutting samples above the lost circulation zone and below from 2,590' to a depth of 2,730'.

Based on the strength of hydrocarbon reads in the real time gas detector and chromatograph system and presence of oil detected in drill cuttings, the well was cased and cemented to a depth of 3,134' on Sept 12th, 2014, as previously reported, for the purpose of subsequent evaluation with the intent to test the most promising zones. At this time the management of Super Nova believes several possibilities exist regarding the ultimate outcome of this well, by zone:

Shallow oil ~560'

1) Oil noted in the drill cutting samples may be producible, given the visible oil noted in the sandstone lithology. Petro-physical well log analysis will help to pinpoint appropriate depths to perforate for test

swabbing. The shallow depth will help in that subsequent wells targeting this zone, if indeed producible, will likely be inexpensive to drill. However reservoir pressure at this depth will be limited and maximum recovery of oil from this zone will likely require secondary recovery techniques such as patterned injection of water (water flooding). A positive aspect of water flooding is the inexpensive disposal of any water produced with the oil, as opposed to hauling away and disposal, leading to decreased operating costs for long term recovery of oil, if producible.

Deeper oil ~2,500 to 2,700'

1) Oil noted in the deeper zones may be producible if the lost circulation zone or zones under it where hydrocarbon reads were elevated are indeed attributable to the seismic amplitude anomaly. It is notable that no lithological changes observed in the drilling cuttings would have explained the seismic anomaly as being due solely to lithological changes, such as a volcanic sill, as opposed to the seismic anomaly being due to the presence of hydrocarbons. In particular the evidence of a possible clean sandstone top at 2,465' supports this possibility. This is a best case scenario, where sufficient porosity and permeability support the movability of oil, coupled with the fact that the amplitude anomaly is approximately 1/2 mile wide along the seismic line and is also noted in another parallel seismic line over 1 mile to the south. Hence if the anomaly is indeed the oil reservoir, the reservoir could be very sizable in this scenario.

2) Oil is present but unmovable in the deeper zones due to it being less permeable shale, and either none of the hydrocarbons are commercial or only limited gas can be produced from the zone. In the gas scenario, the proximity to Milford Colony will be of interest as a low pressure gas meter lies approximately 2,000 feet to the north of the well. Milford Colony currently purchases gas from the nearby Northwest pipeline through a 2" steel line they built and own. In the event of limited quantities of gas, the 2" steel line may potentially be turned around to send gas for additional sales into Northwest Pipeline.

There is no guarantee that the hydrocarbons found in this well will be commercially viable, perforating and swabbing procedures will determine if Oil and or Gas are present in commercial quantities to the depths drilled.

As seen on the figure 1 seismic, deeper targets exist on the Milford Lands such as the Bakken Shale. The development of this deeper formation could be proven viable by the Augusta Exploration LLC well to be drilled next to the Shell on the Krone location nearby next month. The company reports that to its knowledge, all pre-drill activities remain on track for Augusta Exploration LLC to commence drilling of its test well by October 8th, 2014, the purpose of which is to penetrate, log and core the Bakken formation at 7000 ft.. The location of Shell Krone drill site is less than 3 miles away from the Milford Colony lands containing the Eagle 1 well drilled Sept 6th - 12th, 2014.

The timeline for subsequent Eagle #1 completion work (perforating and swabbing) will be announced as they are determined.

The Company has decided to abandon the option agreement on the McAfee Well in Frio County Texas, to focus on its Farm Milford Colony Farmed in Lands and the acreage owned 100% contiguous to the Milford colony Lands effective immediately. (See news release of March 13th, 2014.)

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