Tourmaline Updates Activities and Revises 2015 Capital Program

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CALGARY, AB--(Marketwired - December 15, 2014) - Tourmaline Oil Corp. (TSX: TOU) ("Tourmaline" or the "Company") is pleased to provide an update on recent activities and announce a revised capital program for 2015.

EP Update

- Current production is 145,000 boepd and will exceed the 2014 exit target of 150,000 boepd with the start-up of the Wild River plant expansion on December 22. Construction of the 50 mmcfpd Wild River phase 3 expansion has been completed, and commissioning is ongoing. Wild River was the last of the five major facility projects successfully completed by the Company during the fourth quarter. Tourmaline has approximately 90 mmcfpd of tested, tied in production to fill the expansion.
- Tourmaline has rig released 147 new wells since spring break-up in May, approximately 35 wells ahead of 2014 exit expectations. Per well drill times have been reduced as EP efficiencies continue to improve. The incremental wells will provide additional production volumes in the first half of 2015.
- 2015 production guidance of 164,500 boepd remains unchanged and reflects a 15 rig drilling program. This represents more than 40% growth over expected 2014 average production.
- Strong per well results continue from all three core operated areas in the Deep Basin, 53 of 60 horizontals drilled in 2014 with over 30 days of production history exceeded the Company's 30 day IP template of 5.0 mmcfpd. The average 30 day IP for these 60 wells actually averaged 10.2 mmcfpd.

Financial Update

- Tourmaline will now execute a 16 rig drilling program for 2015 down from the current 20 operated rigs. This will reduce the full year 2015 capital program to $1.4 billion from the original $1.6 billion budget. This reduced drilling program will result in approximately 30 less new wells in 2015 than would have resulted from the 20 rig program for the full year.
- Revised full year 2015 anticipated cash flow is $1.36 billion, down from $1.49 billion, reflecting reduced commodity prices in the 2015 forecast, and the positive impact of the Company's hedging activities. Tourmaline has 170 mmcfpd of natural gas hedged at an average price of $4.27/mcf in 2015, and 2,800 bbls/day of oil hedged in 2015 at an average price of $85.00/bbl. As mentioned, production guidance remains unchanged at 164,500 boepd.
- 2014 exit net debt of approximately $894 million is expected. The Company's bank line was expanded to $1.6 billion in Q4 2014. The Company's bank line is an unsecured, three year term, covenant based revolver supported by a syndicate of seven banks.
- A 2015 net debt to cash flow ratio of 0.7 is anticipated.
- The significant facility and infrastructure program in 2014 is expected to yield a 10% drop in operating costs in 2015, to approximately $4.50/boe for the year.

Forward-Looking Information
This press release contains forward-looking information within the meaning of applicable securities laws. The use of any of the words "forecast", "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 Tourmaline's plans and other aspects of its anticipated future operations, management focus, objectives, strategies, financial, operating and production results and business opportunities, including anticipated petroleum and natural gas production for various periods, cash flows, capital spending, projected operating and drilling costs, the timing for facility expansions and facility start-up dates, as well as Tourmaline's future drilling prospects and plans, business strategy, future development and growth opportunities, prospects and asset base. The forward-looking information is based on certain key expectations and assumptions made by Tourmaline, including expectations and assumptions concerning: prevailing commodity prices and exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve volumes; operating costs the timing of receipt of regulatory

approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions; the availability and cost of labour and services; the state of the economy and the exploration and production business; the availability and cost of financing, labor and services; and ability to market oil and natural gas successfully.

Statements relating to "reserves" are also deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

Although Tourmaline believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Tourmaline can give no assurances that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it 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 oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Also included in this press release are estimates of Tourmaline's 2014 annual cash flow and capital spending as well as, preliminary guidance on 2015 anticipated cash flows, which are based on the various assumptions as to production levels, including estimated average production of 115,000 boepd for 2014 and 164,500 boepd for 2015, capital expenditures, and other assumptions disclosed in this press release and including commodity price assumptions for natural gas (AECO - $4.64/mcf for 2014 and $4.25/mcf for 2015), and crude oil (WTI (US) - $96.94/bbl for 2014 and $75.00/bbl for 2015) and an exchange rate assumption of (US/CAD) $0.91 for 2014 and $0.88 for 2015. To the extent any such estimate constitutes a financial outlook, it was approved by management and the Board of Directors of Tourmaline on December 14, 2014 and is included to provide readers with an understanding of Tourmaline's anticipated cash flows based on the capital expenditure and other assumptions described herein and readers are cautioned that the information may not be appropriate for other purposes.

Additional information on these and other factors that could affect Tourmaline, or its operations or financial results, are included in the Company's most recently filed Management's Discussion and Analysis (See "Forward-Looking Statements" therein) , Annual Information Form (See "Risk Factors" and "Forward-Looking Statements" therein) and other reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Tourmaline's website (www.tourmalineoil.com).

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

Additional Reader Advisories

Boe Conversions

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. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Production Tests

Any references in this release to IP rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue to produce and decline thereafter and are not necessarily indicative of long-term performance or ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

Non-GAAP Financial Measures

This press release includes references to financial measures commonly used in the oil and gas industry, "cash flow" and "net debt" which do not have standardized meanings prescribed by International Financial Reporting Standards ("GAAP"). Accordingly, the Company's use of these terms may not be comparable to similarly defined measures presented by other companies. Management uses the terms "cash flow", and "net debt", for its own performance measures and to provide shareholders and potential investors with a measurement of the Company's efficiency and its ability to generate the cash necessary to fund a portion of its future growth expenditures or to repay debt. Investors are cautioned that the non-GAAP measures should not be construed as an alternative to net income and debt determined in accordance with GAAP as an indication of the Company's performance. See "Non-GAAP Financial Measures" in the November 5, 2014 Management's Discussion and Analysis for the definition and description of these terms.

Certain Definitions

bbls	barrels
boe	barrel of oil equivalent
boepd	barrel of oil equivalent per day
bopd	barrel of oil, condensate or liquids per day
gjsd	gigajoules per day
mmboe	millions of barrels of oil equivalent
mbbls	thousand barrels
mmcf	million cubic feet
mcf	thousand cubic feet
mmcfpd	million cubic feet per day
mmcfpde	million cubic feet per day equivalent
mcfe	thousand cubic feet equivalent
mmbtu	million British thermal units
mstboe	thousand stock tank barrels of oil equivalent

About Tourmaline Oil Corp.
Tourmaline is a Canadian intermediate crude oil and natural gas exploration and production company focused on long-term growth through an aggressive exploration, development, production and acquisition program in the Western Canadian Sedimentary Basin.

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