CALGARY, ALBERTA--(Marketwired - May 12, 2015) - Trilogy Energy Corp. (TSX:TET) ("Trilogy") is pleased to announce director election results from its 2015 annual meeting of shareholders, in addition to providing an update on its revolving credit facility borrowing base review and certain amendments made to its financial covenant requirements.

Director Election Results

Trilogy announces that at its annual meeting of shareholders held on May 8, 2015, the following eight director nominees were appointed:

NOMINEE	VOTES FOR		VOTES WITHHELD	
	Number	Percent (%)	Number	Percent (%)
CLAYTON H. (CLAY) RIDDELL	85,634,985	99.31 %	593,577	0.69 %
JAMES H. T. (JIM) RIDDELL	86,123,455	99.88 %	105,107	0.12 %
M. H. (MICK) DILGER	86,170,272	99.93 %	58,290	0.07 %
WILFRED A. (WILF) GOBERT	65,642,470	76.13 %	20,586,092	23.87 %
ROBERT M. (BOB) MacDONALD	86,151,750	99.91 %	76,812	0.09 %
R. KEITH MacLEOD	71,120,517	82.48 %	15,108,045	17.52 %
E. MITCHELL (MITCH) SHIER	85,489,778	99.14 %	738,784	0.86 %
DONALD F. (DON) TEXTOR	71,096,070	82.45 %	15,132,492	17.55 %

Also, the re-appointment of PricewaterhouseCoopers LLP as auditors of the Corporation was approved:

VOTES FOR		VOTES WITHHELD	
Number	Percent (%)	Number	Percent (%)
88,182,222	100.00 %	1,832	0.00 %

In addition, the unallocated options under Trilogy's Stock Option Plan were authorized and approved.

VOTES FOR		VOTES AGAINST	
Number	Percent (%)	Number	Percent (%)
70,749,023	82.05 %	15,479,539	17.95 %

Revolving Credit Facility

Trilogy and its credit facility lenders completed their annual borrowing base redetermination. The borrowing base will decrease from $725 million to $675 million, consisting of:

- a working capital tranche (unchanged at $35 million);
- a revolving tranche of $515 million (previously $690 million); and
- a development facility in the amount of $125 million.

The working capital and revolving tranches continue to have a maturity date of April 30, 2017 while amounts drawn on the development facility mature on April 30, 2016. Initial and on-going borrowings from the development facility are available for use to develop Trilogy's oil reserve drilling inventory locations to the extent that, among other requirements, the closing crude spot price exceeds an average of US$70 a barrel (WTI) for a preceding sixty day period.

Trilogy and its lenders also amended its quarterly financial covenants which require:

- a ratio of "Senior Debt" to "Adjusted EBITDA" for the twelve month period then ended of not greater than 3.0.
- a ratio of "Consolidated Debt" to "Adjusted EBITDA" for the twelve month period then ended of not greater than 4.0.

The amendments increased the aforementioned ratios for the following periods:

A ratio of "Senior Debt" to "Adjusted EBITDA" of not greater than:

- 3.50 for the fiscal quarters ending December 31, 2015, March 31, 2016 and June 30, 2016; and
- 3.25 for the fiscal quarters ending September 30, 2016, December 31, 2016 and March 31, 2017.

A ratio of "Consolidated Debt" to "Adjusted EBITDA" of not greater than:

- 6.00 for the fiscal quarters ending December 31, 2015, March 31, 2016 and June 30, 2016; and
- 5.50 for the fiscal quarters ending September 30, 2016, December 31, 2016 and March 31, 2017.

Refer to the Non-GAAP Measures section in this document for definitions of "Adjusted EBITDA", "Senior Debt" and "Consolidated Debt".

The revised borrowing base and related amendments to Trilogy's financial covenants are expected to provide an appropriate level of liquidity and covenant relief during the current depressed commodity price environment, while also securing the additional debt capacity that may be required to accelerate Trilogy's growth profile at such time that oil and natural gas liquids prices increase significantly from current levels.

About Trilogy

Trilogy is a growing petroleum and natural gas-focused Canadian energy corporation that actively develops, produces and sells natural gas, crude oil and natural gas liquids. Trilogy's geographically concentrated assets are primarily, high working interest properties that provide abundant low-risk infill drilling opportunities and good access to infrastructure and processing facilities, many of which are operated and controlled by Trilogy. Trilogy's common shares are listed on the Toronto Stock Exchange under the symbol "TET".

Non-GAAP Measures

Certain measures used in this document, including "adjusted EBITDA", "consolidated debt", "funds flow from operations" and "senior debt" (collectively the "Non-GAAP measures") do not have any standardized meaning as prescribed by IFRS and previous GAAP and, therefore, are considered Non-GAAP measures. Non-GAAP measures are commonly used in the oil and gas industry and by Trilogy to provide Shareholders and potential investors with additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. However, given their lack of standardized meaning, such measurements are unlikely to be comparable to similar measures presented by other issuers.

"Adjusted EBITDA" refers to "Funds flow from operations" plus cash interest and tax expenses and certain other items that do not appear individually in the line items of the Company's financial statements.

"Consolidated debt" generally includes all long-term debt plus any issued and undrawn letters of credit.

"Funds flow from operations" refers to the cash flow from operating activities before net changes in operating working capital as shown in the consolidated statements of cash flows. Management utilizes funds flow from operations as a key measure to assess the ability of the Company to finance dividends, operating activities, capital expenditures and debt repayments.

"Senior debt" is generally defined as "Consolidated debt" but excluding any indebtedness under the Senior Unsecured Notes.

Investors are cautioned that the Non-GAAP measures should not be considered in isolation or construed as alternatives to their most directly comparable measure calculated in accordance with IFRS, as set forth above, or other measures of financial performance calculated in accordance with IFRS.

Forward-Looking Information

Certain information included in this news release constitutes forward-looking statements under applicable securities legislation. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "budget" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements or information in this news release pertain to, without limitation: the sufficiency of the covenant relief under Trilogy's amended credit facility; availability of the development facility; and management's expectations as to the Company's future liquidity and sufficiency of financial resources to fund its operations and accelerate its growth profile.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. Such assumptions include: current commodity price forecasts for petroleum, natural gas and natural gas liquids; current reserves estimates; current production forecasts and the relative mix of crude oil, NGLs and natural gas therein; ; cash flow consistent with expectations; assumptions regarding royalties and expenses and the continuity of royalty regimes and government incentive programs and their applicability to Trilogy; operating and other costs; currency exchange and interest rates; credit facility availability and access to sources of funding for Trilogy's planned operations and expenditures; ability of Trilogy to service its debt and repay its debt when due; estimates of deferred tax amounts, tax assets and tax pools; and estimates and projections in respect of the application of tax laws; general business, economic, and market conditions; among others.

Although Trilogy believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Trilogy can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates

and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Trilogy and described in the forward-looking statements or information.
These risks and uncertainties include, but are not limited to: fluctuations in oil, natural gas, condensate and other natural gas liquids and commodity prices, foreign currency, exchange rates and interest rates, volatile economic and business conditions, the ability of management to execute its business plan; uncertainties in the credit markets that may restrict the availability of credit or cause further changes to the terms of the credit facility; increases in the cost of borrowing; refinancing risk for existing debt and debt service costs; access to external sources of capital; a downgrade of Trilogy's credit ratings; the risks of the oil and gas industry, such as operational risks in exploring for, developing and producing crude oil, natural gas, condensate and other natural gas liquids and market demand; the ability of Trilogy to add production and reserves through development and exploration activities; risks and uncertainties involving geology of oil and gas deposits; risks inherent in Trilogy's marketing operations, including credit risk and the risk that Trilogy may not be able to enter into suitable arrangements for the sale of its crude oil, natural gas and gas liquids on acceptable terms or at all; the uncertainty of reserves estimates and reserves life; the uncertainty of estimates and projections relating to future production, NGL yields, costs and expenses; uncertainty in amounts and timing of royalty payments and applicability of and change to royalty regimes and government incentive programs including, without limitation,
the Natural Gas Deep Drilling Programs and the Drilling Royalty Credit Program; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the ability to generate sufficient cash flow from operations and other sources of financing at an acceptable cost to fund Trilogy's exploration, development and construction plans and meet current and future obligations and repay debt; Trilogy's ability to secure adequate product transmission, transportation, fractionation and storage capacity on a timely basis or at all; Trilogy's ability to enter into or renew leases; health, safety and environmental risks; weather conditions; the possibility that government policies, regulations or laws, including without limitation those relating to the environment and taxation, may change; imprecision in estimates of product sales, commodity prices, capital expenditures, tax pools, tax shelters, tax deductions available to Trilogy, changes to and the interpretation of tax legislation and regulations applicable to Trilogy, the possibility that regulatory approvals may be delayed or withheld; risks associated with existing and potential future lawsuits and regulatory actions against Trilogy; uncertainty regarding aboriginal land claims and co-existing local populations; hiring/maintaining staff; the impact of market competition; and other risks and uncertainties described elsewhere in this document or in Trilogy's other filings with Canadian securities authorities.

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

Refer to Trilogy's Management's Discussion and Analysis for additional information on forward-looking information.

Contact

For further information, please contact:
J.H.T. (Jim) Riddell, Chief Executive Officer
J.B. (John) Williams, President and Chief Operating Officer
M.G. (Michael) Kohut, Chief Financial Officer
Trilogy Energy Corp.
1400 - 332 - 6th Avenue S.W.
Calgary, Alberta T2P 0B2
Phone: (403) 290-2900
(403) 263-8915