VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 13, 2015) - Lynden Energy Corp. (TSX VENTURE:LVL) (the "Company") reports its third quarter fiscal 2015 results. Highlights for the nine months ended March 31, 2015, compared to the nine months ended March 31, 2014, include:

- Average daily production was 1,389 Boe/d compared to 1,162 Boe/d in the nine months ended March 31, 2014;
- The total number of producing Wolfberry wells increased to 105 gross (43.02 net);
- Primarily as a result of a significant drop in commodity prices, petroleum and natural gas sales decreased by 20% as compared to the nine months ended March 31, 2014; and
- Realized prices decreased 31% per Bbl of oil, 16% per Mcf of gas, and 30% per Bbl of natural gas liquids ("NGL") compared to the nine months ended March 31, 2014.

Production for the nine months ended March 31, 2015 totaled 380,618 Boe (1,389 Boe/d). Production for the three months ended March 31, 2015 totaled 121,510 Boe (1,350 Boe/d), a decrease of 3% over production in the three months ended December 31, 2014.

The production mix in the nine months ended March 31, 2015, on a percent per Boe basis, is approximately 54% oil, 22% natural gas and 24% NGL.

Financial Results for the Nine Months and Three Months ended March 31, 2015

This press release should be read in conjunction with the Company's condensed consolidated interim financial statements for the nine months ended March 31, 2015 and the notes thereto, together with the MD&A for the corresponding period, which are available in the Company's Form 10-Q for the Quarterly Period Ended March 31, 2015, found under the Company's profile on EDGAR at www.sec.gov and on SEDAR at www.sedar.com. All monetary references in this press release are to U.S. dollars unless otherwise stated.

Results of Operations

Nine months ended March 31, 2015 compared to nine months ended March 31, 2014

Net income for the nine months ended March 31, 2015 was $33,063 and $0.00 per share and diluted share, compared to net income of $15,499,542 and $0.13 per share and $0.12 per diluted share for the nine months ended March 31, 2014. Net income for the nine months ended March 31, 2015 decreased primarily because oil and gas revenues were lower by $4,268,968, there was no gain on disposition of property, plant and equipment in the nine months ended March 31, 2015 compared to a gain of $10,214,019 in the nine months ended March 31, 2014, depletion, depreciation and accretion were higher by $2,228,828 in the nine months ended March 31, 2015, production and operating expenses were higher by $986,064, which was offset by lower income taxes of $4,187,044.

Three months ended March 31, 2015 compared to three months ended March 31, 2014

Net loss for the three months ended March 31, 2015 was ($2,111,867) and ($0.02) per share and diluted share, compared to net income of $2,253,679 and $0.02 per share and diluted share for the three months ended March 31, 2014. Net income decreased by $4,365,546 as at March 31, 2015 compared to March 31, 2014 for the three months ended March 31, 2015 primarily due to lower oil and gas revenues of $2,023,767, higher production and operating expenses of $562,538, higher depletion, depreciation and accretion of $724,670, higher general and administrative expenses of $399,908, and a share of loss in equity investment of $431,919 in the three months ended March 31, 2015.

Petroleum and Natural Gas Revenue

Nine months ended March 31, 2015 compared to nine months ended March 31, 2014

Oil revenues decreased 24% from $17,961,450 for the nine months ended March 31, 2014 to $13,685,535 for the nine months ended March 31, 2015 as a result of a $30.52 per Bbl decrease in the average realized price of oil only partially offset by an increase in oil production volumes of 20,531 Bbls. Natural gas revenues increased 9% from $1,645,430 for the nine months ended March 31, 2014 to $1,785,493 for the nine months ended March 31, 2015 as a result of an increase in natural gas production volumes of 112,358 Mcf offset by a $0.65 per Mcf decrease in the average realized natural gas price. NGL revenues decreased 6% from $2,255,378 for the nine months ended March 31, 2014 to $2,122,262 for the nine months ended March 31, 2015 as a result of a $9.92 per Bbl decrease in the average realized NGL price partially offset by an increase in NGL production volumes of 23,016 Bbls.

Three months ended March 31, 2015 compared to three months ended March 31, 2014

Oil revenues decreased 31% from $4,297,059 for the three months ended March 31, 2014 to $2,975,681 for the three months ended March 31, 2015 as a result of a $46.27 per Bbl decrease in the average realized price for oil, offset by an increase in oil production volumes of 17,686 Bbls. Natural gas revenues decreased 28% from $674,134 for the three months ended March 31, 2014 to $485,205 for the three months ended March 31, 2015 as a result of a $2.57 per Mcf decrease in the average realized natural gas price, offset by an increase in natural gas production volumes of 43,421 Mcf. NGL revenues decreased 68% from $752,325 for the three months ended March 31, 2014 to $238,865 for the three months ended March 31, 2015 as a result of a $24.91 per Bbl decrease in the average realized NGL price, offset by an increase in NGL production volumes of 6,898 Bbls. The increased production volumes of oil, natural gas and NGLs was primarily due to the ongoing Wolfberry well development program, and the resulting increase in the number of wells tied-in and producing.

Liquidity

Capital Requirements and Sources of Liquidity

Historically, the Company's primary sources of liquidity have been available cash on hand, cash generated from operations, borrowings under the Company's credit facility, and proceeds from asset dispositions. To date, the Company's primary use of capital has been for the acquisition, development and exploration of oil and natural gas properties.

As at March 31, 2015, the credit facility had a borrowing base of $40 million, of which $27.3 million had been drawn down. Subsequent to March 31, 2015, the credit facility lender advised the Company that the borrowing base under the credit facility would be, subject to the completion of customary documentation, reduced to $37.5 million.

The Company's fiscal 2015 (July 1, 2014 to June 30, 2015) capital budget for drilling, completion, recompletion and infrastructure was established at approximately $34 million.

During the three and nine months ending March 31, 2015, the Company spent approximately $1.0 million and $24.2 million on capital expenditures on property, plant and equipment. As a result of a significant decrease in oil, natural gas and NGL prices, management is observing reductions in drilling and completion costs undertaken, or anticipated to be undertaken, in the second half of fiscal 2015.

As at March 31, 2015, three Wolfberry wells, one Wolcott horizontal well and two Glasscock County horizontal wells remain to be spud under the fiscal 2015 capital budget. As a result of scheduling changes, it is now anticipated that 1 of the 2 gross horizontal Midland Basin wells and 1 of the 3 gross horizontal Wolcott lease wells will not be spud by June 30, 2015, and as a consequence are now included in the Company's capital budget for the first half of fiscal 2016 (July 1, 2015 to December 31, 2015).

The first half of fiscal 2016 (July 1, 2015 to December 31, 2015) capital budget for drilling, completion, recompletion and infrastructure is approximately $9.2 million, for the following:

- $3.4 million, or 37%, for the participation in the drilling and completion of 4 gross vertical Midland Basin wells;
- $4.0 million, or 43% for the participation in the drilling and completion of 1 gross horizontal Midland Basin well; and
- $1.8 million, or 20%, for the participation in the drilling and completion of 1 horizontal Wolcott Lease well.

About Lynden

Lynden Energy Corp. is in the business of acquiring, exploring and developing petroleum and natural gas rights and properties. The Company has various working interests in the Midland Basin and Eastern Shelf, located in the Permian Basin in West Texas, USA.

Units of equivalency

This press release uses oil equivalents (Boe) to express quantities of natural gas, natural gas liquids and oil in a common unit. A conversion ratio of 6 Mcf of natural gas to 1 barrel of oil is used. Boe may be misleading, particularly if used in isolation. The conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Forward-looking statements

Certain statements and information in this press release may constitute "forward-looking statements" and are made pursuant to the "safe harbour" provisions of applicable Canadian securities laws and of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "plan," "intend," "foresee," "should," "would," "could" or other similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on management's current expectations and beliefs concerning future developments and their potential effect on the Company. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those anticipated. All comments concerning expectations for future revenues and operating results are based on management's forecasts for the Company's existing operations and do not include the potential impact of any future acquisitions. Forward-looking statements involve significant risks and uncertainties (some of which are beyond the Company's control) and assumptions that could cause actual results to differ materially from the Company's historical experience and management's present expectations or projections. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: the volatility of commodity prices, product supply and demand; competition; access to and cost of capital; uncertainties about estimates of reserves and resource potential and the ability to add proved reserves in the future; the assumptions underlying production forecasts; the quality of technical data; environmental and weather risks, including the possible impacts of climate change; the ability to obtain environmental and other permits and the timing thereof; government regulation or action; the costs and results of drilling and operations; the availability of equipment, services, resources and personnel required to complete the Company's operating activities; access to and availability of transportation, processing and refining facilities; the financial strength of counterparties to the Company's credit facility and the purchasers of the Company's production; and acts of war or terrorism; general economic conditions and other financial, operational and legal risks and uncertainties detailed from time to time in the Company's Securities and Exchange Commission filings.

For additional information regarding known material factors that could cause actual results to differ from projected results, please see "Part I, Item 1A. Risk Factors" in the Company's Registration Statement on Form 10, initially filed with the SEC on October 29, 2014, (as amended by that certain Amendment No. 1 filed on December 29, 2014 and Amendment No. 2 filed on February 10, 2015) and which is also available under its profile at the SEDAR website (www.sedar.com), and with other reports that the Company files with the SEC and with Canadian securities regulators. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except as may be required by Canadian securities laws.

Contact

Lynden Energy Corp.
Colin Watt
President and CEO
604-629-2991