

CALGARY, AB--(Marketwired - June 29, 2015) - [Tourmaline Oil Corp.](#) (TSX: TOU) ("Tourmaline" or the "Company") is pleased to announce that it has entered into an agreement with [Mapan Energy Ltd.](#) (TSX VENTURE: MPG) ("Mapan") pursuant to which Tourmaline will acquire all of the issued and outstanding common shares of Mapan on the basis of 0.0379 of a Tourmaline common share for each Mapan common share. The acquisition will be effected by statutory plan of arrangement (the "Arrangement").

The acquisition price is \$105.98 million, comprised of the issuance of approximately 2.73 million Tourmaline common shares before taking into account an estimated \$16.1 million of positive working capital including \$13.3 million in cash and cash equivalents as at May 31, 2015, and transaction costs of approximately \$4.3 million.

Based on the exchange ratio of 0.0379 and the volume-weighted average trading price of the Tourmaline common shares for the five trading days ending June 26, 2015, the implied purchase price of \$1.47 per Mapan common share represents a 65% premium to the closing market price of the Mapan common shares on June 26, 2015 and a 68% premium to the volume-weighted average trading price of the Mapan common shares for the 20 trading days ending June 26, 2015.

The Arrangement will provide Mapan shareholders enhanced liquidity and ownership in a growth-oriented intermediate crude oil and natural gas exploration and production company with a strong track record of growth and the ability to significantly accelerate the development of Mapan's asset base.

Completion of the Arrangement, which is anticipated to occur in August 2015, is subject to, among other things, the approval of at least two-thirds of the votes cast by Mapan shareholders voting at an annual and special meeting to be held in August 2015, the receipt of all necessary court, regulatory and stock exchange approvals, and other customary closing conditions.

The board of directors of Mapan has unanimously approved the Arrangement and, based in part on a fairness opinion from Mapan's financial advisor, determined that the Arrangement is in the best interests of Mapan and the holders of its common shares and is fair to such shareholders. The Mapan board of directors has also resolved to recommend that Mapan shareholders vote their common shares in favour of the Arrangement. All of the directors and officers and certain shareholders of Mapan, representing an aggregate of approximately 11% of the issued and outstanding Mapan common shares, have entered into voting support agreements with Tourmaline pursuant to which they have agreed to, among other things, support the Arrangement and vote their Mapan common shares in favour of the Arrangement, subject to the terms of such agreements.

Mapan has agreed not to solicit or initiate any discussion regarding any other business combination or sale of material assets. Mapan has also granted Tourmaline a right to match any superior proposal and has agreed to pay a termination fee of \$4.0 million to Tourmaline in certain events, including if Mapan recommends, approves or enters into an agreement with respect to a superior proposal.

ACQUISITION HIGHLIGHTS

The acquisition of Mapan is consistent with Tourmaline's Deep Basin exploration, development, and growth strategy representing a strategic addition to Tourmaline's EP focus areas. Cecilia, one of the two producing Mapan assets, was originally a Duvernay Oil Corp. property and Tourmaline envisages considerable unexploited EP upside.

Key attributes of the Mapan transaction include:

- The Mapan transaction will be accretive to Tourmaline on a reserve and production basis with future improvements expected to be realized in capital and operating efficiencies.
- 216,916 gross acres of land (166,898 net).
- Proved plus probable reserves of 19.2 mmmboe¹, acquired for \$6.28/boe (1P), \$4.91/boe (2P), with considerable potential incremental reserve upside (including future development capital).
- Current production of 5,500 boepd, before giving effect to current TCPL restrictions, resulting in approximately \$17,123 per flowing barrel.

Tourmaline has a consistent track record of achieving significant value from all the modest size corporate transactions completed to date ([Santonia Energy Inc.](#), Altia Energy Ltd., Pienza Petroleum Inc., Vigilant Exploration Inc., Exshaw Oil Corp., Cinch Energy Corp., and Huron Energy Corporation).

Note:

¹ Reserves evaluated by GLJ Petroleum Consultants Ltd. as at December 31, 2014. Reserves are working interest gross reserves before deduction of royalties payable to others and without including any royalty interests of Mapan.

ADVISOR

Peters & Co. Limited is acting as exclusive financial advisor to Tourmaline with respect to the Arrangement.

READER ADVISORIES

FORWARD-LOOKING INFORMATION

This press release contains forward-looking information within the meaning of applicable securities laws. The use of any of the words "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 anticipated benefits associated with the Arrangement including reserve upside and capital and operating efficiencies, business strategy, future development and growth opportunities, prospects, asset base and other anticipated benefits from the Arrangement, including accretion to Tourmaline on certain operational and financial measures and operating efficiencies. 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; future well production rates and reserve volumes; the timing of receipt of regulatory and shareholder approvals; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labour and services. 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; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions including the Arrangement; failure to realize the anticipated benefits of acquisitions including the Arrangement; 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. There are risks also inherent in the nature of the proposed Arrangement, including failure to realize anticipated production and reserve increases and other benefits; risks regarding the integration of Mapan into Tourmaline; incorrect assessment by Tourmaline of the value of Mapan or of its production, reserves, or drilling locations; and failure to obtain the required shareholder, court, regulatory and other third party approvals.

This press release also contains forward-looking information concerning the anticipated completion of the Arrangement and the anticipated timing thereof. Tourmaline has provided these anticipated times in reliance on certain assumptions that it believes are reasonable, including assumptions as to the time required to prepare meeting materials for mailing, the timing of receipt of the necessary regulatory and court approvals and the satisfaction of and time necessary to satisfy the conditions to the closing of the Arrangement. These dates may change for a number of reasons, including unforeseen delays in preparing meeting materials, inability to secure necessary regulatory or court approvals in the time assumed or the need for additional time to satisfy the conditions to the completion of the Arrangement. In addition, there are no assurances the Arrangement will be completed. Accordingly, readers should not place undue reliance on the forward-looking information contained in this press release concerning these times.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Tourmaline, or its operations or financial results, are included in 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 EQUIVALENT

Disclosure provided in respect of barrels of oil equivalent (boe) 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 based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1; utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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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