

CALGARY, ALBERTA--(Marketwired - Aug 13, 2015) - [Traverse Energy Ltd.](#) ("Traverse" or "the Company") (TSX VENTURE:TVL) presents financial and operating results for the six months ended June 30, 2015.

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Financial (\$ thousands, except per share amounts)				
Petroleum and natural gas revenue	3,273	4,338	6,786	8,873
Cash flow from operating activities	2,189	1,461	4,189	3,549
Per share - basic and diluted	0.03	0.02	0.06	0.06
Funds from operations ⁽¹⁾	1,739	2,409	3,478	5,005
Per share - basic and diluted	0.02	0.03	0.05	0.08
Net income	5,525	407	4,970	1,153
Per share - basic and diluted	0.08	0.01	0.07	0.02
Capital expenditures	1,090	5,475	3,412	12,439
Total assets	46,752	47,309	46,752	47,309
Adjusted working capital ⁽²⁾	4,460	5,800	4,460	5,800
Common shares				
Outstanding (millions)	70.8	68.6	70.8	68.6
Weighted average (millions)	70.6	68.3	70.6	62.4
Operations (Units as noted)				
Average production				
Natural gas (Mcf/day)	2,658	2,139	2,794	1,975
Oil and NGL (bbls/ day)	481	418	554	436
Total (BOE/day)	924	775	1,020	765
Average sales price				
Natural gas (\$/Mcf)	2.98	3.92	3.33	4.64
Oil and NGL (\$/bbl)	58.29	93.97	50.86	91.39
Operating netback (\$/BOE) ⁽³⁾				
Petroleum and natural gas revenue	38.92	61.55	36.77	64.05
Realized gain (loss) on financial derivatives	-	(1.54)	-	(1.35)
Royalties	(0.84)	(11.21)	(1.57)	(10.27)
Operating and transportation expenses	(13.20)	(12.37)	(12.58)	(11.80)
Operating netback	24.88	36.43	22.62	40.63

1. Funds from operations represents cash flow from operating activities prior to changes in non-cash working capital and settlement of decommissioning obligations. Funds from operations does not have a standardized measure prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other companies.
2. Adjusted working capital is calculated as current assets (excluding financial derivative assets) less current liabilities (excluding financial derivative liabilities). Adjusted working capital does not have a standardized measure prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other companies.
3. Operating netback reflects revenue and realized gain or loss on financial derivatives, less royalties, operating and transportation expenses and is calculated on a per unit basis. Operating netback does not have a standardized measure prescribed by IFRS and therefore may not be comparable with the calculation of similar measures by other companies.

Operations Review

In February 2015 Traverse announced a \$15 million exploration and development program of seven wells (5 vertical and 2 horizontal). In view of recent commodity price weakness, the Company continues to monitor the commodity price environment and may adjust the 2015 drilling program accordingly.

In the first quarter the Company drilled one vertical delineation well in the Coyote area. This well was completed in a new Mannville gas zone in the second quarter and placed on production in July. The well has extended the Coyote Ellerslie pool to the west with completion of the Ellerslie zone scheduled for later in the third quarter.

In the third quarter Traverse recently drilled one vertical and one horizontal well. The vertical exploration well was drilled in the Coyote area approximately 5 miles west of the existing Coyote production. The well will be completed and tested later in the third quarter. The horizontal well was drilled in an upper Mannville zone previously delineated by wells drilled in the Coyote Ellerslie pool. This was the first horizontal well to be drilled into this new pool. The well was drilled to a total depth of 2,510 metres, including a 1,140 horizontal section and was fracture treated in 22 stages. The well is currently being flowed for clean-up and production testing. This well was drilled from an existing padsite and will be tied into existing facilities.

In June, Traverse sold its royalty interest in the Brazeau area of Alberta for cash proceeds of approximately \$8.9 million. The royalty interest in 10 sections (6,400 acres) contained 22 producing horizontal Cardium oil wells and one Notikewin gas well at March 31, 2015. Traverse's interest during the first quarter of 2015 was 52 barrels of oil equivalent per day (49% oil and natural gas liquids).

Undeveloped land holdings in Alberta at June 30, 2015 were 192,300 gross (191,700 net) acres. At June 30, 2015 the Company had working capital of approximately \$4.5 million and an approved credit facility of \$10 million.

Non-IFRS measures

Funds from operations, funds from operations per share, operating netback, operating netback per BOE and adjusted working capital are not defined by IFRS and therefore may not be comparable to performance measures presented by others. Funds from operations represents cash flow from operating activities prior to changes in non-cash working capital and settlement of decommissioning obligations as detailed under the heading "Funds from operations and net income" within the Company's management's discussion and analysis for the three and six months ended June 30, 2015. Funds from operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net income per share. Adjusted working capital is calculated as current assets (excluding financial derivative assets) less current liabilities (excluding financial derivative liabilities). Operating netback represents revenue and realized gain or loss on financial derivatives, less royalties, operating and transportation expenses and is calculated on a per unit basis. The calculation of Traverse's operating netback is detailed under the heading "Operating netback" within the Company's management's discussion and analysis for the three and six months ended June 30, 2015. Management believes that in addition to net income, the aforementioned non-IFRS measures are useful supplemental measures as they assist in the determination of the Company's operating performance, leverage and liquidity. Investors should be cautioned however, that these measures should not be construed as an alternative to both net income and net cash from operating activities, which are determined in accordance with IFRS, as indicators of the Company's performance.

BOE equivalent

Unless otherwise stated, the volume conversion of natural gas to barrel of oil equivalent (BOE) is presented on the basis of 6 thousand cubic feet of natural gas being equal to 1 barrel of oil. This conversion ratio is based upon an energy equivalent conversion method primarily applicable at the burner tip and does not represent value equivalence at the wellhead. BOE figures may be misleading, particularly if used in isolation.

Forward-looking information

This news release contains forward-looking information which is not comprised of historical fact. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes the Company's statements with respect to the number of wells to be drilled in 2015 and completion and tie in plans for the remainder of 2015. This forward looking information is subject to a variety of substantial known and unknown risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward looking information. The Company's Annual Information Form filed on April 15, 2015 with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) describes the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

Although the Company believes that the material assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur. The Company disclaims any intention or obligation to update or review any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

For more information, please contact:

Traverse Energy Ltd.

Laurie Smith

President and CEO

August 13, 2015

Further details on the Company including the 2014 year end audited financial statements, the related management's discussion

and analysis and the 2014 Annual Information Form are available on the Company's website (www.traverseenergy.com) and SEDAR.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of the content of this release.

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