

CALGARY, ALBERTA--(Marketwired - Aug. 13, 2015) - [Long Run Exploration Ltd.](#) ("Long Run" or the "Company") (TSX:LRE) was notified by Alliance Pipeline ("Alliance") on August 7, 2015 of an operational event on its system which required suppliers to suspend natural gas injections into its pipeline. Alliance advised Long Run that the shutdown was a result of hydrogen sulfide entering the pipeline from an upstream operator which impacted the Alliance mainline pipeline. Alliance declared this to be a force majeure event.

Long Run was directed by Alliance to suspend natural gas injections into the Alliance Pipeline system starting from 9:00 am (MT) on August 7, 2015 and was able to restart at 8:00 am (MT) on August 13, 2015. This suspension resulted in a deferral of approximately 21.5 MMcf/d of natural gas production and approximately 2,500 Bbls/d of oil and NGLs over the six days, representing approximately 20% of Long Run's overall production for the same period. This pipeline outage primarily affected Long Run's Deep Basin Edson field and the associated natural gas and liquids volumes being produced from the area.

Long Run expects this downtime will result in a reduction of 2015 third quarter production of approximately 400 Boe/d. The Company estimates that funds flow from operations will also be reduced by approximately \$0.5 million in the third quarter as a result of the production downtime.

Long Run continued to keep greater than 95% of our total oil production on stream during this interruption.

Visit the Company's website at [www.longrunexploration.com](http://www.longrunexploration.com).

## ADVISORIES

### *Forward Looking Statements*

This press release contains forward-looking information within the meaning of applicable securities laws relating to the Company's anticipated loss of production for the third quarter of 2015 resulting from the Alliance pipeline outage and the corresponding impact on the Company's anticipated loss of funds flow from operations. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. The forward-looking information is based on certain key expectations and assumptions made by Long Run's management, including expectations and assumptions concerning commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; estimates of operating costs and general and administrative costs; performance of existing and future wells; reserve volumes; anticipated timing and results of capital expenditures; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labor and services; the impact of increasing competition; ability to market oil and natural gas successfully; and Long Run's ability to access capital and obtaining the necessary regulatory approvals. Included herein is an estimate of Long Run's estimated reduction in funds flow from operations for the third quarter of 2015 based on WTI US\$52.50/Bbl, AECO \$2.60/GJ and FX CDN/USD \$0.80 and other assumptions utilized in arriving at Long Run's capital budget for 2015. To the extent such estimate constitutes a financial outlook, it was approved by management on March 4, 2015 and is included herein to provide readers with an understanding of the anticipated reduction in funds available to Long Run to fund its capital expenditures, debt reduction and for other purposes and readers are cautioned that the information may not be appropriate for other purposes.

Although the Company 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 Long Run can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that the Company will derive there from. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide a more complete perspective on Long Run's future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect our 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](http://www.sedar.com)).

### *Non-GAAP Measures*

The press release contains terms commonly used in the oil and gas industry, such as funds flow from operations. These terms are not defined by International Financial Reporting Standards ("IFRS") and should not be considered an alternative to, or more meaningful than, cash provided by operating activities as determined in accordance with IFRS as an indicator of Long Run's performance. These measures are commonly used in the oil and gas industry and by Long Run to provide shareholders and potential investors with additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. Long Run's determination of these measures may not be comparable to that reported by other companies. Funds

flow from operations is calculated as cash flow from operating activities before changes in non-cash working capital and abandonment expenditures. Long Run has provided information on how these measures are calculated in the Management's Discussion and Analysis for the year ended December 31, 2014 and the second quarter ended June 30, 2015, which are available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### *Barrels of Oil Equivalent*

Barrels of oil equivalent may be misleading, particularly if used in isolation. A Boe conversion ratio of six thousand cubic feet of natural gas to one barrel of crude oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

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