CALGARY, ALBERTA--(Marketwired - Nov. 2, 2015) -

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Iona Energy Inc. ("Iona" or the "Company") (TSX VENTURE:INA), a Canadian independent oil & gas company with assets in the UK North Sea notes today's announcement by Norwegian Energy Company ASA ("Noreco") that its UK subsidiary, Noreco Oil UK, has been served a default notice in respect of its 20% interest in the Huntington licence and that it does not intend to remedy the default.

Under the terms of the joint operating agreement that governs the Huntington field, Noreco has until November 27, 2015 to remedy the default. Until this date the remaining field partners will be obliged to pay their increased pro rata share of operating costs and also receive their increased pro rata share of field revenues. If the default is not remedied by November 27, 2015 then the remaining field partners may, within 30 days, request that Noreco's share in the Huntington field be forfeited to them. If this were to occur then the pro forma working interests in the field would be as follows:

- E.ON E&P UK Limited: 31.25% (operator)
- Premier Oil UK Limited: 50.00%
- Iona UK Huntington Limited: 18.75%

Following completion of Iona's previously announced financial restructuring, the Company will have sufficient liquidity to fund its additional interest in the Huntington field.

Huntington continues to perform above management expectations set out in Iona's announcement of March 5, 2015. Since resumption of unconstrained production in April 2015, operating efficiency has been approximately 95%, production has averaged approximately 16,600 boepd (gross) and production is currently approximately 12,800 boepd (gross). Sanction of a new sidetracked water-injector well is anticipated in early 2016 with sidetrack operations planned for 2016. The proposed water-injector sidetrack is expected to improve sweep efficiency and enhance recovery from the field. The proposed water injector well also offers the potential to extend field life and allow related operating cost savings, further improving the economics of the field.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

About Iona Energy:

Iona is an oil and gas company with assets in the United Kingdom's North Sea. www.ionaenergy.com.

Forward-Looking Statements

Some of the statements in this announcement are forward-looking, including statements regarding the Huntington joint venture partners, Iona's financial restructuring and future business plans of the Huntington joint venture partners. When used in this announcement, the words "expects," "believes," "anticipate", "plans", "may", "will", "would", "should", "scheduled", "targeted", "estimated" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, are based on various assumptions by Iona's management, including assumptions regarding the business plans of the Iona joint venture partners for the Huntington field, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements, including without limitation, the risk that the plans for Huntington described in this announcement are changed as a result of new developments or information, the risk that such plans do not have the anticipated positive impact described herein, and the risk that Iona's financial restructuring is not implemented for any reason. These forward-looking statements speak only as of the date of this announcement. Iona Energy Inc. expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based except as required by applicable securities laws.

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