VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov 13, 2015) - Lynden Energy Corp. (TSX VENTURE:LVL) (the "Company") reports financial and operating results for the three months ended September 30, 2015. This press release should be read in conjunction with the Company's Form 10-Q for the three months ended September 30, 2015 (the "Form 10-Q") filed today with the Securities and Exchange Commission ("SEC") and Canadian Securities Regulators. All monetary references in this press release are to U.S. dollars.

Highlights

The Company's financial and operating performance for the three months ended September 30, 2015 included the following highlights:

- Primarily as a result of a significant drop in commodity prices, petroleum and natural gas sales decreased by 57% as compared to the three months ended September 30, 2014;
- Realized prices decreased 49% per Bbl of oil, 36% per Mcf of gas and 63% per Bbl of NGL compared to the three months ended September 31, 2014; and
- Average daily production was 1,227 Boe/d in the three months ended September 30, 2015 compared to 1,424 Boe/d in the three months ended September 30, 2014.

Results of Operations

Net loss for the three months ended September 30, 2015 was ($241,045) and ($0.00) per share and diluted share, compared to net income of $1,635,469 and $0.01 per share and diluted share for the three months ended September 30, 2014. Net income decreased by $1,876,514 for the three months ended September 30, 2015 compared to September 30, 2014 primarily due to lower oil and gas revenues of $4,541,411, higher production and operating expenses of $214,489, lower depletion, depreciation and accretion of $456,819, lower general and administrative expenses of $22,374, lower exploration and impairment charges of $449,067, and lower income tax expense of $1,589,900 in the three months ended September 30, 2015.

Petroleum and Natural Gas Revenues

The following table provides summary information regarding oil, natural gas and NGL revenues, production, average product prices and average production costs and expenses for the three months ended September 30, 2015 and 2014. We determine a barrel of oil equivalent using the ratio of six Mcf of natural gas to one Boe, and one barrel of NGL to one Boe. The ratios of six Mcf of natural gas to one Boe and one barrel NGL to one Boe do not assume price equivalency and, given price differentials, the price for a Boe for natural gas or NGL may differ significantly from the price for a barrel of oil.

	Three Months Ended September 30,			
	2015	2014	Change	% Change
Revenues				
Oil	$ 2,654,712	$ 6,248,076	$ (3,593,364)	(58 %)
Natural gas	402,717	683,538	(280,821)	(41 %)
NGL	336,027	1,003,253	(667,226)	(67 %)
Total revenues	$ 3,393,456	$ 7,934,867	$ (4,541,411)	(57 %)
Production				
Oil (Bbl)	59,795	72,402	(12,607)	(17 %)
Natural gas (Mcf)	155,869	169,821	(13,952)	(8 %)
NGL (Bbl)	27,100	30,305	(3,205)	(11 %)
Total barrel of oil equivalent (Boe)	112,873	131,010	(18,137)	(14 %)
Daily production averages				
Oil (Bbls/d)	650	787	(137)	(17 %)
Natural gas (Mcf/d)	1,694	1,846	(152)	(8 %)
NGL (Bbls/d)	295	329	(34)	(10 %)
Total barrel of oil equivalent (Boe/d)	1,227	1,424	(197)	(14 %)
Average prices				
Oil (per Bbl)	$ 44.40	$ 86.30	$ (41.90)	(49 %)
Natural gas (per Mcf)	$ 2.58	$ 4.03	$ (1.45)	(36 %)
NGL (per Bbl)	$ 12.40	$ 33.11	$ (20.71)	(63 %)
Total barrel of oil equivalent (per Boe)	$ 30.09	$ 60.57	$ (30.48)	(50 %)

Capital Requirements and Sources of Liquidity

The Company's primary sources of liquidity have been available cash on hand, cash generated from operations, borrowings under our 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.

During the three months ended September 30, 2015, we spent approximately $9.0 million on capital expenditures on property, plant and equipment.

Our fiscal 2016 (July 1, 2015 to June 30, 2016) capital budget for drilling, completion, recompletion and infrastructure was originally established at approximately $18.9 million, and has since been revised downwards to approximately $14.8 million, for the following:

- $6.1 million, or 41%, for the participation in the drilling and completion of 8 gross (3.25 net) Midland Basin vertical Wolfberry wells. Our revised fiscal 2016 budget contemplates a gross cost of an upcoming Wolfberry well of $1.6 million. Pursuant to the terms of the Midland Basin Participation Agreement our funding amount for the 3.25 net wells is equivalent to 3.71 wells.
- $7.0 million, or 47%, for the participation in the drilling and completion of 2 gross horizontal Midland Basin horizontal wells in Glasscock County. The first well has been budgeted at a gross cost of $8.3 million, with the second well budgeted at a gross cost of $7.0 million. Well design, in particular well length and completion approach, will be significant variables in the cost of these wells. The first of these wells has now been drilled, completed and tied-into production and the second well is not scheduled to be spud until the fourth quarter of fiscal 2016. Pursuant to the terms of our Midland Basin Participation Agreement, the Company is funding approximately 50% of the cost of the wells; and
- $1.7 million, or 12%, for the participation in the drilling and completion of 3 gross (1.5 net) vertical Mitchell Ranch Project wells. The gross cost of the first of the three wells is expected to be $1.4 million, with the gross cost of subsequent wells expected to be $1.0 million.

Based upon current oil and natural gas price expectations for fiscal 2016, we believe that our cash and cash equivalents on hand, our cash flow from operations and additional borrowings under our Credit Facility will provide us with sufficient liquidity to execute our current capital program excluding any acquisitions we may enter into. The Company is not contractually bound to drill any wells to which it has not first consented.

Our Credit Facility is a reducing revolving line of credit of up to $100 million. As at September 30, 2015, the Credit Facility has a borrowing base of $37.5 million, of which $37.0 million has been drawn down. The bank is in the process of its review of the Company's borrowing base and has indicated to the Company, subject to additional internal bank approvals and the completion of customary documentation, that the borrowing base is expected to remain the same or to be increased by an amount not yet finalized. The bank's next engineering valuation of the Company's oil and gas reserves and re-determination of the borrowing base is anticipated to be completed in the third quarter of fiscal 2016.

Amounts owing on the Credit Facility are payable when the Credit Facility expires in August 2016, unless otherwise extended by the parties, or payable on demand on the event of default. As a result of the Credit Facility expiring in less than one year, the amount due under the Credit Facility has been classified as a current liability. The providers of the Credit Facility have advised that an extension, for an additional two years, of the Credit Facility has been approved, subject to documentation acceptable to the providers. The Company is currently evaluating various options for funding its development plan prior to committing to an extension of the Credit Facility.

Current Production Levels

The Company's wells are currently producing approximately 1,450 Boe/d.

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 of the Permian Basin, West Texas, USA.

Further information relating to Lynden is also available on its website at www.lyndenenergy.com.

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 Form 10-K filed with the SEC on September 28, 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.

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