CALGARY, ALBERTA--(Marketwired - Nov 16, 2015) - Traverse Energy Ltd. ("Traverse" or "the Company") (TSX VENTURE:TVL) presents financial and operating results for the nine months ended September 30, 2015.

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2015	2014	2015	2014
Financial *($ thousands, except per share amounts)*				
Petroleum and natural gas revenue	2,924	5,336	9,710	14,209
Cash flow from operating activities	1,767	3,160	5,956	6,709
Per share - basic and diluted	0.02	0.05	0.08	0.10
Funds from operations [(1)]	1,760	3,131	5,238	8,136
Per share - basic and diluted	0.02	0.05	0.07	0.12
Net income (loss)	(4,011)	635	959	1,788
Per share - basic and diluted	(0.06)	0.01	0.01	0.03
Capital expenditures	4,119	10,658	7,531	23,096
Total assets	42,790	49,007	42,790	49,007
Adjusted working capital [(2)]	2,063	(1,695)	2,063	(1,695)
Common shares				
Outstanding *(millions)*	70.8	69.2	70.8	69.2
Weighted average *(millions)*	70.8	68.8	70.7	64.6
Operations *(Units as noted)*				
Average production				
Natural gas *(Mcf/day)*	2,917	3,710	2,836	2,560
Oil and NGL *(bbls/ day)*	465	497	524	457
Total (BOE/day)	951	1,115	997	883
Average sales price				
Natural gas *($/Mcf)*	3.01	4.04	3.22	4.35
Oil and NGL *($/bbl)*	49.49	86.63	50.45	89.65
Operating netback *($/BOE)*[(3)]				
Petroleum and natural gas revenue	33.42	52.02	35.69	58.93
Realized gain (loss) on financial derivatives	-	(0.30)	-	(0.91)
Royalties	(0.77)	(8.22)	(1.31)	(9.40)
Operating and transportation expenses	(13.24)	(10.35)	(12.79)	(11.19)
Operating netback	19.41	33.15	21.59	37.43

(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 therefor 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 transportatio 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.*

At September 30, 2015 due to declining natural gas and oil prices, the Company determined that impairment triggers were present and tested all of its cash-generating units ("CGUs") for impairment. The recoverable amounts of the Company's CGUs were estimated as the fair value less costs to sell based on the net present value of the before income tax cash flows from proved plus probable reserves, originally estimated by the Company's external reserve evaluators and updated internally for production since December 31, 2014 and to reflect the September 30, 2015 external evaluators price deck, discounted at a rate of 10%. As a result, the Company recorded a total impairment charge of $4.5 million relating to the oil CGU. As the recoverable amount of the CGUs are sensitive to a decrease in commodity prices, further impairment could be recorded in future periods. Alternatively, an improvement of commodity prices could reverse any impairment charge recorded to date, less applicable depletion expense.

Operations Review

In the third quarter Traverse drilled one vertical and one horizontal well. The horizontal well was the first horizontal well drilled into an upper Mannville zone, previously delineated by wells drilled into the Coyote Ellerslie pool. The well was drilled to a total depth of 2,510 metres, including a 1,140 metre horizontal section and was fracture treated in 22 stages. The well was placed on production in mid-August as a flowing oil well and in the first 90 days has produced an average of 168 bbls of oil/day and 900 mcf/day (339 BOE/day). The vertical exploration well was drilled in the Coyote area approximately 5 miles west of the existing Coyote production. The well was completed and placed on production in October and is producing oil and gas at low rates. Additional drilling in this area will be dependent on improved economics.

In October Traverse drilled a second horizontal well into the upper Mannville zone at Coyote. The well was drilled to a total depth of 2,565 metres, including a 1,200 metre horizontal section and was fracture treated in 24 stages. The well was initially swabbed and flowed for cleanup and production testing. During the test a total of 1,300 barrels of oil and 3.4 mmcf of raw natural gas were produced over a 4 day period. Final flow rates for the last 24 hours of the test were 290 barrels of oil per day and 1.25 mmcf of raw natural gas per day. The well is currently shut-in for a pressure survey and will be placed on production through existing facilities. These early test results, although preliminary, are encouraging based on analogous similar pools in East Central Alberta. These results are not necessarily indicative of long-term performance or of ultimate recovery.

In the fourth quarter, Traverse completed a two mile gas pipeline from its Coyote battery to a nearby gas plant to accommodate additional solution gas volumes from recent drilling and future development. The AER has granted GPP (good production practice) and issued a holding for increased well density in the Coyote Ellerslie pool which allows for future development with horizontal wells. In October, downhole gas separators were installed in the two Ellerslie horizontal wells drilled in the prior year resulting in increased production and pumping efficiency.

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. The royalty property contributed a total of 29 BOE/day during the nine months ended September 30, 2015.

Undeveloped land holdings in Alberta at September 30, 2015 were 185,100 gross (184,400 net) acres. At September 30, 2015 the Company had adjusted working capital of approximately $2.1 million and an approved credit facility of $10 million. Traverse anticipates total capital expenditures for 2015 to be approximately $11.5 million. The Board of Directors has approved an initial exploration and development program for 2016 of $12 million to be financed by cash flow, working capital and new equity issues or debt as appropriate.

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 (loss)" within the Company's management's discussion and analysis for the three and nine months ended September 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 (loss) 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 nine months ended September 30, 2015. Management believes that in addition to net income (loss), 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.

Oil and Gas Advisory

Any references in this press release to production tests are useful in confirming the presence of hydrocarbons; however, such tests are not necessarily determinative of the production rates at which such wells will commence production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such rates in calculating aggregate production for the Company. In all cases in this press release, production test rates are not necessarily indicative of long-term performance of the relevant well or of the ultimate recovery of hydrocarbons.

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 intention to place on production a well in the Coyote area through existing facilities and for funding capital expenditures during 2016. 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.

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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