

CALGARY, Dec. 16, 2015 /CNW/ - (TSX: PMT; PMT.DB.E) – [Perpetual Energy Inc.](#) ("Perpetual" or the "Company") announces that the conversion price of the outstanding 7.00% convertible unsecured subordinated junior debentures (the "Convertible Debentures") of the Company has been adjusted from \$7.00 to \$3.34 (the "Initial Conversion Price Adjustment"). This Initial Conversion Price Adjustment is required pursuant to the terms of the Convertible Debentures as a consequence of the Company's previously announced rights offering ("Rights Offering").

For a detailed description of the calculation used to determine the Initial Conversion Price Adjustment, please refer to the (final) short form prospectus of the Company date December 7, 2015 (the "Prospectus") available on the Company's profile at [www.sedar.com](#).

The "current market price" used to calculate the Initial Conversion Price Adjustment is \$0.24 per common share of the Company ("Common Share") and was calculated as the volume weighted average trading price of the Common Shares for the 20 consecutive trading days ending on December 9, 2015, the fifth trading day preceding the record date of the Rights Offering, being December 16, 2015.

As a result of the Rights Offering, the board of directors of Perpetual has determined that the conversion price of the Convertible Debentures will be re-adjusted immediately after the Common Shares Per Right Calculation (as defined in the Prospectus) is completed on December 22, 2015 in accordance with the same formula used to calculate the Initial Conversion Price Adjustment and that the "Current Market Price" will be updated to be the same as that for the Rights Offering, being the volume weighted average trading price of the Common Shares for the 20 consecutive trading days ending on December 22, 2015. The Company will announce the final adjustment to the conversion price of the Convertible Debentures on December 22, 2015, in conjunction with the announcement of additional details concerning the Rights Offering, specifically being the number of shares that will be issued as a result of the Rights Offering.

This news release does not constitute an offer to sell, or the solicitation of an offer to buy securities in any jurisdiction, including the United States, absent U.S. registration or an applicable exemption therefrom, nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state. The rights (the "Rights") of the Company offered under the Rights Offering and the Common Shares issuable on exercise of the Rights will not be and have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person, absent registration or an applicable exemption therefrom.

Forward-Looking Information

Certain information regarding Perpetual in this news release including management's assessment of future plans and operations may constitute forward-looking statements under applicable securities laws. The forward-looking information includes, without limitation, statements regarding the timing for the announcement of the final adjustment to the conversion price of the Convertible Debentures. Various assumptions were used in drawing the conclusions or making the forecasts and projections contained in the forward-looking information contained in this press release, which assumptions are based on management analysis of historical trends, experience, current conditions, and expected future developments pertaining to Perpetual and the industry in which it operates as well as certain assumptions regarding the matters outlined above. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Perpetual and described in the forward-looking information contained in this press release. Undue reliance should not be placed on forward-looking information, which is not a guarantee of performance and is subject to a number of risks or uncertainties, including without limitation those described under "Risk Factors" in Perpetual's Annual Information Form and MD&A for the year ended December 31, 2014 and those included in other reports on file with Canadian securities regulatory authorities which may be accessed through the SEDAR website ([www.sedar.com](#)) and at Perpetual's website ([www.perpetualenergyinc.com](#)). Readers are cautioned that the foregoing list of risk factors is not exhaustive. Forward-looking information is based on the estimates and opinions of Perpetual's management at the time the information is released and Perpetual disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or otherwise, other than as expressly required by applicable securities laws.

About Perpetual

[Perpetual Energy Inc.](#) is a Canadian energy company with a spectrum of resource-style opportunities spanning heavy oil, NGL and bitumen along with a large base of shallow gas assets. Perpetual's common shares and convertible debentures are listed on the Toronto Stock Exchange under the symbol "PMT" and "PMT.DB.E", respectively. Further information with respect to Perpetual can be found at its website at [www.perpetualenergyinc.com](#).

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

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Contact

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