CALGARY, ALBERTA--(Marketwired - Jan 18, 2016) - NuVista Energy Ltd. ("NuVista" or the "Company") (TSX:NVA) is pleased to announce a number of updates that highlight the economic viability and flexibility of NuVista's ongoing business. Corporate metrics have met all original guidance expectations for 2015, while well results continue to improve and outperform. The company is entering 2016 with a healthy balance sheet and a plan underpinned by new data showing the lowest well costs and best well performance we have ever achieved. Specific highlights include the following:

Production Update

- Field-estimated production for the fourth quarter of 2015 was approximately 23,400 Boe/d despite previously announced downtime due to temporary Nova and Alliance outages and holdbacks. This is an increase of 9% from the third quarter of 2015, and meets fourth quarter guidance which was 23,250 - 24,000 Boe/d. 2015 production met the lower end of the original guidance range of 22,500 - 24,000 Boe/d as expected due to approximately 1,250 boe/d of various third party restrictions encountered throughout the year and 150 boe/d of production associated with minor divestitures. These shortfalls were mostly offset by continued strong performance of recent wells; and
- Due to a number of recent tie-ins, December field estimated production exceeded 27,000 Boe/d, which underpins a strong base entering 2016.

Operations Update

- Seven new well IP30's are noted in the table below, including new record results. We are very encouraged with the continued improvements in Bilbo, and the early results at Elmworth as we ramp up the new facility. In addition, the Northeast Elmworth step-out results at 1-1 provide increased confidence in a growing inventory toward Gold Creek. As a result, we have recently expanded the Elmworth Development block by 20%.

New Well IP30 Results [1]

Well	Raw Gas (MMcf/d)	Condensate (Bbls/d)	Total Sales (Boe/d)	CGR C5+/Raw (Bbls/MMcf)
Bilbo Typecurve[2]	5.8	435	1,361	75
Well #48 (Bilbo) 1-34-65-6W6M	12.8	1,623	3,496	124
Well #49 (Bilbo) 16-27-65-6W6	9.3	1,165	2,529	123
Elmworth Typecurve[2]	7.4	333	1,559	45
Well #44 (Elmworth) 02/1-21-68-8W6[3]	5.5	154	954	28
Well #45 (Elmworth) 00/1-21-68-8W6	8.6	339	1,581	39
Well #46 (Elmworth) 8-21-68-8W6[4]	7.6	294	1,369	38
Well #47 (Elmworth) 9-21-68-8W6	6.5	221	1,209	31
Delineation Typecurve[2]	5.8	261	1,217	45
Well #50 (Elmworth Stepout) 1-1-69-8W6[5]	7.4	513	1,655	69

[1] Well numbering refers to the numbered wells in our corporate presentation available on our website. They are effectively in chronological order since our inception in the play. All numbers shown are based on field estimate data.

[2] Typecurves are based on NuVista's internal best estimates.

[3] Intervention in-progress. IP30's will be updated post-intervention.

[4] 88% of typecurve despite mechanical issues encountered on completion.

[5] IP 30 estimated based on 23 days of field estimated production projected to 30 days.

- Well costs continue to decrease as drill times improve due to our ever-improving application of new technology, and service providers maintaining their support in this commodity price environment. We are working hard with providers and succeeding in ensuring the best crews, the best efficiency, and the lowest cost possible. In the fourth quarter, we achieved a new drill and complete cost of $4.8MM, setting a new benchmark for our development wells. We continue to see execution progress across many fronts operationally, with the last 5 development wells executed for an average drilling cost of $3.5MM (2000m hz) and average completion cost of $2.2MM (22 stages). The equipping and tie-in is currently underway for these wells, and we expect to achieve an average cost of $6.7MM each, which is a 30% reduction from the 2014 average costs for drill, complete, equip, and tie-in; and
- Due to ongoing reductions in drilling and completion costs, NuVista's 2015 capital program came in at $273 million, $12 million below the midpoint of the guidance range which was $285 million.

Credit Facility Update and Other Items

- NuVista's revolving credit facility was reconfirmed in November 2015 at $300MM, the same as the prior level. Underpinned by continued strong well results and a growing proved producing reserve base NuVista's syndicate of lenders have supported the current level despite the reduced commodity price environment. The strength of our balance sheet is our dominant priority, so capital spending levels are being regularly evaluated to ensure abundant room within our credit facility;

- We have continued to prudently and selectively add to our hedge positions for 2016, 2017, and 2018. We currently possess hedges which in aggregate cover 49% of 2016 projected liquids production at a price of $80.12/Bbl, and 69% of 2016 projected gas production at a price of $3.36/Mcf. Both of these percentage figures relate to production net of royalty volumes;
- New augmented contracts and volumes for NuVista's take-away capacity on the Nova and Alliance natural gas pipeline systems were initiated on time in December of 2015. These contracts are anticipated to provide more than enough capacity for NuVista's ongoing 2016 plans, which should result in significantly reduced NuVista production holdback and outages as compared to those experienced in 2015;
- With strong production levels and well results, NuVista continues to be in a position to manage minimum Midstream Take or Pay (TOP) commitments with comfort through 2016 and beyond; and
- NuVista successfully started up a new water disposal well and facilities in December of 2015. As this facility ramps up to full capacity, it will reduce NuVista operating costs for water disposal and trucking significantly. The costs for this well and facilities are expected to reduce operating costs by approximately $10 million per year, resulting in a payout period of approximately one year.

2016 Outlook and Guidance Reaffirmed

2016 will be yet another year where close attention will need to be paid to management of our capital program in light of weak commodity prices. For now, NuVista plans to continue drilling with two rigs until spring breakup. Pending weather, there are approximately 8 to 11 additional wells expected to come on production prior to spring breakup, with as many as eight of them in the first quarter. The company's second half capital spending plans will be re-evaluated during the first quarter of 2016, and the pace of spending will be contingent on the commodity price outlook. We have significant flexibility to reduce the capital program if required, as maintaining a strong balance sheet remains NuVista's primary focus. As a result of the above, we are re-affirming our projected 2016 capital spending in the range of $140 - $160 million, which would be quickly adjusted should weak commodity prices persist. We also reaffirm production guidance for 2016 in the range of 24,500 - 26,000 Boe/d.

Condensate production continues to strongly support NuVista's economics and netbacks despite historically low pricing for WTI oil. In 2016, roughly 22% of our production will be derived from condensate. Even at current strip pricing, this translates to almost 50% of NuVista's revenue. This significantly boosts funds from operations per Boe and also provides material upside to a recovery in benchmark oil prices. We have improved our corporate capital efficiency from $27,000/Boed in 2015 to under $14,000/Boed for the 2016 budget, and our costs continue to fall further as shown above in the most recent 5-well average results. We benefit from condensate-boosted netbacks coupled with the benefit of finding and development costs which rival those of dry gas plays.

Given top quality assets and a management team focused upon relentless improvement, NuVista will continue to optimize results in the current commodity price environment. We would like to thank our staff, contractors, and suppliers for their continued dedication and delivery, and we thank our board of directors and our shareholders for their continued guidance and support. Please note that our corporate presentation is being updated and will be available on www.nuvistaenergy.com on or before midday on January 19, 2016.

ADVISORY REGARDING OIL AND GAS INFORMATION

This news release contains the term barrels of oil equivalent ("Boe"). Natural gas is converted to a Boe using six thousand cubic feet of gas to one barrel of oil. Boes may be misleading, particularly if used in isolation. The foregoing conversion ratios are based on an energy equivalency conversion method primarily applicable at the burner tip and do not represent a value equivalency at the wellhead. As well, given than the value ratio based on the current price of crude oil to natural gas is significantly different from the 6:1 energy equivalency ratio, using a conversion ratio on a 6:1 basis may be misleading as an indication of value.

Any references in this news release to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for NuVista.

NuVista has presented certain typecurves and well and other related economics in this news release which are based on NuVista's historical production in the Bilbo and Elmworth development areas. Such type curves and economics are useful in understanding management's assumptions of well performance in making investment decisions in relation to development drilling in the Montney area and for determining the success of the performance of development wells and other projects; however, such type curves and economics are not necessarily determinative of future production rates, performance of existing and future wells and project performance.

In presenting such type curves and economics information, NuVista has used a number of oil and gas metrics which do not have standardized meanings and therefore may be calculated differently from the metrics presented by other oil and gas companies. Such metrics include "payout", "netback", "finding and development" and "capital efficiency". Netback equals total revenues on a BOE basis (excluding realized commodity derivative gains/losses) less royalties, transportation and operating costs. Finding and development costs are the anticipated full exploration and development costs associated with each barrel of oil equivalent expected to be recovered from a well based on the type curves and economics presented. Capital efficiency is a

measure of expected development well capital divided by average first year production results (IP365) from such well based on the type curve presented. Payout means the anticipated years of production from a well or facility required to fully pay for the development well capital or other capital of such well or facility.

ADVISORY REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward looking statements, including management's assessment of: NuVista's future strategy, plans, opportunities and operations; capital budget; forecast production; production mix; future funds from operations, revenue and other financial results; hedging strategy and plans; drilling, development, completion and tie-in plans and timing and results thereof; planned throughput capacity; ability to fulfil all TOP obligations; plans to maintain NuVista's balance sheet strength and flexibility; plans to provide growth and value creation; commodity price expectations; future processing capacity and anticipated future outages; future well results, IP30 rates and typecurves; future drilling, completions, tie-in and equipping costs; future supply and service costs; future water disposal and transportation costs and facility payout economics; the timing, allocation and efficiency of NuVista's capital program and the results therefrom; capital efficiencies,, the anticipated potential and growth opportunities associated with NuVista's asset base; and industry conditions.

By their nature, forward-looking statements are based upon certain assumptions and are subject to numerous risks and uncertainties, some of which are beyond NuVista's control, including the impact of general economic conditions, industry conditions, current and future commodity prices, currency and interest rates, anticipated production rates, borrowing, operating and other costs and funds from operations, the timing, allocation and amount of capital expenditures and the results therefrom, anticipated reserves and the imprecision of reserve estimates, the performance of existing wells, the success obtained in drilling new wells, the sufficiency of budgeted capital expenditures in carrying out planned activities, competition from other industry participants, availability of qualified personnel or services and drilling and related equipment, stock market volatility, effects of regulation by governmental agencies including changes in environmental regulations, tax laws and royalties; the ability to access sufficient capital from internal sources and bank and equity markets; and including, without limitation, those risks considered under "Risk Factors" in our Annual Information Form.

This press release also contains future-oriented financial information and financial outlook information (collectively, "FOFI") about our prospective results of operations and funds from operations, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on FOFI and forward-looking statements. NuVista's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and FOFI, or if any of them do so, what benefits NuVista will derive therefrom. NuVista has included the forward-looking statements and FOFI in this press release in order to provide readers with a more complete perspective on NuVista's future operations and such information may not be appropriate for other purposes. NuVista disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP measurements

Within this new release, references are made to terms commonly used in the oil and natural gas industry. Management uses "funds from operations" to analyze operating performance and leverage. Funds from operations as presented, does not have any standardized meaning prescribed by GAAP and therefore it may not be comparable with the calculation of similar measures for other entities. Funds from operations as presented is not intended to represent operating cash flow or operating profits for the period nor should it be viewed as an alternative to cash flow from operating activities, per the statement of cash flows, net earnings (loss) or other measures of financial performance calculated in accordance with GAAP. All references to funds from operations throughout this press release are based on cash flow from operating activities before changes in non-cash working capital and asset retirement expenditures. Adjusted working capital equals current assets less current liabilities excluding the current portion of the commodity derivative asset or liability. Net debt is equal to bank debt net of the adjusted working capital. Annualized current quarter funds from operations is calculated as cash flow from operating activities before changes in non-cash working capital and asset retirement expenditures and environmental remediation expenses for the current quarter, annualized for the year. Net debt to annualized current quarter funds from operations is net debt divided by annualized current quarter funds from operations. Funds from operations per share are calculated based on the weighted average number of common shares outstanding.

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