CALGARY, ALBERTA--(Marketwired - Mar 23, 2016) - Petrus Resources Ltd. ("Petrus" or the "Company") (TSX:PRQ) is pleased to announce financial and operating results for the three month period and year ended December 31, 2015, and provide 2015 year‐end reserves information as evaluated by Sproule Associates Limited ("Sproule"). The associated Management's Discussion and Analysis ("MD&A") and audited financial statements as at and for the year ended December 31, 2015 can be found at www.sedar.com.

HIGHLIGHTS

- Petrus generated $44.6 million in funds from operations during the year, compared to $61.3 million in 2014. Commodity prices declined significantly from the prior year; however, the Company's strong hedge position ($16.6 million realized gain in 2015) moderated its exposure to commodity price volatility. The average benchmark natural gas price in Canada (AECO) decreased by 42% year-over-year (averaging $2.69 per mcf in 2015, compared to $4.64 per mcf in 2014). The average price of Edmonton Light Sweet crude oil decreased 39% over the same period (from $94.45 per bbl to $57.48 per bbl).

- Average 2015 production was 8,762 boe per day, up from 6,032 boe per day in 2014. Production in the fourth quarter averaged 8,172 boe per day (36% oil and liquids), a decrease of 17% compared to 9,822 boe per day (41% oil and liquids) in the fourth quarter of 2014. Since mid-January 2015, a portion of the Company's sales volume (affecting three of the Company's four operating areas) was restricted due to transportation curtailments on TransCanada Corporation infrastructure. During the fourth quarter, approximately 1,300 boe per day remained under curtailment by these third-party transportation restrictions. Third party restrictions have been lifted since February 2016.

- Reserves per share increased by 21% and 23% on a proved plus probable and total proved basis, respectively. Total proved plus probable reserves increased from 40.6 mmboe in 2014 to 49.2 mmboe in 2015. The Company replaced 3.7 times annual production at an all-in annual Finding, Development and Acquisition cost of $15.40 per boe including the change in future development capital for the proved plus probable category. Petrus ended 2015 with $402.3 million of proved plus probable reserve value before-tax, discounted at 10%, a 17% reduction from the December 31, 2014 report, despite a 35% reduction in forward price forecasts.

- Petrus added 64.9 new net proven undeveloped and 18.7 new net probable undeveloped locations. Proved plus probable future development costs for the December 31, 2015 report are $325 million, a $125 million increase from 2014, which was a result of new reserve bookings.

- Over the twelve month period ended December 31, 2015, Petrus invested $55.4 million in exploration and acquisition activity, down from $443.0 million in 2014. Petrus invested $54.5 million in finding and development activities, along with $0.9 million in acquisitions (net of dispositions). The investments were funded by cash flow and the draw down of a portion of the Company's revolving credit facility.

- Petrus initiated certain financing transactions in the fourth quarter of 2015 which closed subsequent to year end. The Company entered into an arrangement agreement (the "Arrangement Agreement") with the entity formerly called PhosCan Chemical Corp. (TSX: FOS) ("PhosCan"), Petrus Resources Corp. ("Old Petrus") and a wholly-owned subsidiary of PhosCan pursuant to which the Company acquired all of the outstanding shares of each of Old Petrus and PhosCan by way of a plan of arrangement (the "Arrangement") under the *Business Corporations Act* (Alberta). Upon the closing of the Arrangement on February 2, 2016, each of PhosCan, which at that time held approximately $45.4 million of cash and cash equivalents, and Old Petrus became wholly-owned subsidiaries of Petrus. Petrus also completed a concurrent $30 million bought deal financing (the "Bought Deal Financing"), resulting in approximately $74.2 million in net proceeds. At closing of the Arrangement, the Petrus shares were consolidated on a 4 to 1 basis. Petrus currently has 45.3 million shares outstanding.

- Petrus received listing approval for the listing of its shares on the Toronto Stock Exchange ("TSX") under the symbol "PRQ" during the first quarter. Petrus commenced trading on the TSX on February 8, 2016.

- On March 22, 2016, upon a $40 million pay down of the Company's $90 million second lien term loan, the term loan was extended to October 2017 at the same terms which include no prepayment penalty and an annual interest rate of the Canadian Dealer Offered Rate (CDOR) plus 700 basis points. The Company concurrently reduced the amount drawn on its first lien revolving credit facility by $40 million.

- The Company currently has hedges in place for approximately 65% of its 2016 forecast production volumes and approximately 35% of its 2017 forecast production volumes to help mitigate any further downward pressure on commodity prices.

- At December 31, 2015 Petrus had 35.1 million shares outstanding (after giving effect to the 4-to-1 share consolidation which occurred February 2, 2016) and was drawn $145.0 million against its $160.0 million credit facility. The Company ended the year with net debt of $226.7 million, which was reduced to $153.0 million at March 22, 2016 as a result of the debt reductions following the Arrangement and Bought Deal Financing.

- At the end of 2015, Petrus had 248,035 net acres of undeveloped land, and a diverse drilling inventory, including economic projects at current strip pricing.

- The Petrus Board of Directors approved a base capital budget of $11.0 million for the first half of 2016, excluding acquisitions. The capital budget includes the drilling of 4 gross (3.6 net) wells and some tie-in and pipeline costs to optimize the Company's new gas plant in the Ferrier area to reduce future third-party processing fees. The capital budget is expected to be funded with a portion of cash flow.

SELECTED FINANCIAL INFORMATION

(000s) except per boe amounts	Twelve months ended Dec. 31, 2015	Twelve months Ended Dec. 31, 2014	Three months ended Dec. 31, 2015	Three months ended Sept. 30, 2015	Three months ended June 30, 2015	Thre mon ende Mar.
OPERATIONS						
Average Production						
Natural gas (mcf/d)	32,088	20,540	31,217	32,505	33,103	31,5
Oil (bbl/d)	2,838	2,227	2,380	2,616	2,811	3,55
NGLs (bbl/d)	576	382	590	634	560	519
Total (boe/d)	8,762	6,032	8,172	8,668	8,890	9,33
Total (boe)	3,198,158	2,201,856	751,845	797,439	808,947	839,
Natural gas sales weighting	*61* %	*57* %	*64* %	62 %	62 %	56
Realized Sales Prices						
Natural gas ($/mcf)	2.93	4.59	2.79	2.92	2.90	3.12
Oil ($/bbl)	52.47	87.14	48.27	50.91	64.76	47.3
NGLs ($/bbl)	25.09	45.23	30.52	16.14	24.99	29.7
Total ($/boe)	29.43	50.67	26.90	27.48	32.85	30.2
Hedging gain (loss) ($/boe)	5.18	0.42	6.68	4.72	3.58	5.81
Operating Netback ($/boe)						
Effective price	34.61	51.09	33.58	32.20	36.43	36.0
Royalty income	0.14	0.52	0.32	0.10	0.08	0.09
Royalty expense	(3.74)	(8.69)	(3.74)	(2.89)	(3.73)	(4.55
Operating expense	(8.90)	(8.23)	(11.00)	(7.87)	(9.14)	(7.78
Transportation expense	(1.64)	(1.94)	(1.31)	(1.43)	(1.93)	(1.86
Operating netback [2] ($/boe)	20.47	32.75	17.85	20.11	21.71	21.9
G & A expense [1]	(2.35)	(2.27)	(3.08)	(2.10)	(2.28)	(1.98
Net interest expense	(4.16)	(1.82)	(5.83)	(4.41)	(3.91)	(2.72
Corporate netback [2] ($/boe)	13.96	28.66	8.94	13.60	15.52	17.2
FINANCIAL ($000s except per share)						
Oil and natural gas revenue	94,587	112,705	20,460	21,991	26,641	25,4
Cash flow from operations [2]	44,639	61,250	6,717	10,838	12,549	14,5
Cash flow operations per share [2][4]	1.27	2.30	0.19	0.31	0.36	0.41
Net income (loss)	(69,031)	(47,492)	(36,425)	(19,055)	(7,239)	(6,31
Net income (loss) per share [4]	(1.96)	(1.78)	(1.04)	(0.54)	(0.21)	(0.18
Capital expenditures	54,469	115,218	6,757	9,041	13,288	25,3
Net acquisitions (dispositions)	938	327,746	-	-	(125)	1,06
Common shares outstanding [4]	35,148	35,148	35,148	35,148	35,148	35,1
Weighted average shares [4]	35,148	26,680	35,148	35,148	35,148	35,1
As at quarter end ($000s)						
Net debt [3]	226,742	215,048	226,742	226,809	228,562	227,
Bank debt outstanding	235,000	190,000	235,000	233,000	232,000	205,
Bank debt available	12,600	100,000	12,600	34,600	35,600	85,0
Shareholder's equity	243,904	311,760	243,904	280,118	299,061	305,
Total assets	555,145	647,304	555,145	595,890	627,808	641,

(1) *G&A expenses are shown net of capitalized general & administrative costs. Please refer to the G&A section on page 12 in the December 31, 2015 MD&A.*

(2) *Non-GAAP measures, including the methodology used to calculate debt-adjusted share amounts, are defined on page 8 of the December 31, 2015 MD&A.*

(3) *Net debt includes working capital surplus or (deficiency).*

(4) *All share capital instruments have been retrospectively adjusted to reflect the notional 4-to-1 share consolidation that occurred on February 2, 2016.*

OPERATIONS UPDATE

The Petrus Board of Directors approved a base capital budget of $11.0 million for the first half of 2016. The capital budget includes the drilling of 4 gross (3.6 net) wells and some tie-in and pipeline costs to optimize the Company's new gas plant in the Ferrier area to reduce future third-party processing fees. The capital budget is expected to be funded through a portion of cash flow.

The Company's production was significantly impacted during the year as a result of third party pipeline restrictions which limited production. To date in 2016 Petrus has been largely unaffected by these curtailments. Average fourth quarter production from the Company's four operating areas was as follows:

Average production for the quarter ended December 31, 2015	Foothills	Peace River	Ferrier	Central Alberta	Total
Average Production					
Natural gas (mcf/d)	7,066	3,003	11,476	9,672	31,217
Oil (bbl/d)	583	617	457	722	2,379
NGLs (bbl/d)	59	29	264	238	590
Total (boe/d)	1,819	1,147	2,634	2,572	8,172
Natural gas sales weighting	*65 %*	*44 %*	*73 %*	*63 %*	*64 %*

Ferrier

Petrus established its initial position in the Ferrier area through a corporate acquisition in the third quarter of 2014. Since then Petrus has nearly doubled its undeveloped acreage in the area and has increased total proved plus probable reserves 70% since 2014 year end. Petrus constructed a 25 mmcf per day gas plant in 2015 which was designed to control costs and maximize value from the Company's high liquids content gas drilling opportunities in the area. The plant was completed during the fourth quarter and is operating as planned with ample excess capacity to enable growth. Management believes Ferrier is a low-risk, resource-style play with a drilling inventory that includes economic locations at current strip pricing, and is the focus of the Company's 2016 development activity.

Central Alberta

Petrus established its position in the Thorsby/Pembina area of Alberta through a corporate acquisition in the fourth quarter of 2014. The Company's assets in the area are predominantly oil with associated natural gas. Petrus owns and operates the majority of its working interest and facilities in Thorsby/Pembina. A portion of the Central Alberta assets are on waterflood and Petrus expects to optimize the other assets by implementing waterflood expansions to increase the economic recovery of the property.

Foothills

Petrus has low cost, low decline assets in the Foothills along with a significant amount of undeveloped land with an expansive drilling inventory at higher commodity prices. The Company owns extensive processing infrastructure throughout the Foothills and will continued to evaluate development opportunities in the area.

Peace River

Petrus owns legacy oil production in the Peace River area with production facilities as well as development land on which Petrus has developed a Montney oil play. Petrus has invested in production and water disposal facilities in its Peace River area and two oil batteries with water disposal capabilities now fully operational at Tangent and Berwyn contributing to significantly reduced operating costs and increased runtime. Petrus has initiated a pilot waterflood program at Berwyn and expects to expand the waterflood area over the next few years.

ANNUAL GENERAL MEETING

The Company's Annual General Meeting will be held at the Riverview Room, International Hotel, 35th floor, 220-4th Ave SW Calgary, Alberta, on Thursday May 12, 2016 at 9:00 a.m. (Calgary time). The Information Circular, Annual Information Form and Annual Report for 2015 will be available on SEDAR (www.sedar.com) as well as the Company's website (www.petrusresources.com).

ABOUT PETRUS

Petrus is a public Canadian oil and gas company focused on property exploitation, strategic acquisitions and risk-managed exploration in Alberta.

READER ADVISORIES

This press release contains forward-looking statements. More particularly, this press release contains statements concerning Petrus' commodity weighting, plans related to the Company's 2016 capital budget, including planned drilling and other operations, commodity focus, commodity pricing, drilling locations, production rates, expected source of funding of the 2016 capital budget, the belief of economic projects and drilling opportunities at current strip pricing, the expected ability of Petrus to execute on its exploration and development program and Petrus' anticipated production (both in terms of quantity and raw attributes) cash flow, operating netbacks, planned operations and the timing thereof, evaluation of completed operations, the availability of opportunities and other similar matters. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Petrus, including: (i) with respect to capital expenditures, generally, and at particular locations, the availability of adequate and secure sources of funding for Petrus' proposed capital expenditure program and the availability of appropriate opportunities to deploy capital; (ii) with respect to drilling plans, the availability of drilling rigs, expectations and assumptions concerning the success of future drilling and development activities and prevailing commodity prices; (iii) with respect to Petrus' ability to execute on its exploration and development program, the performance of Petrus' personnel, the availability of capital and prevailing commodity prices; and (iv) with respect to anticipated production, the ability to drill and operate wells on an economic basis, the performance of new and existing wells and accounting risks typically associated with oil and gas exploration and production; (v) oil and gas prices; (vi) currency exchange rates; (vii) royalty rates; (viii) operating costs; (ix) transportation costs; and (x) the availability of opportunities to deploy capital effectively.

Although Petrus believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Petrus can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures). Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

The forward-looking statements contained in this document are made as of the date hereof and Petrus undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one boe (6 mcf/bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this report are derived from converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value. The forward-looking statements contained in this document are made as of the date hereof and Petrus undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Please refer to the disclosure with respect to non-GAAP measures in the Company's MD&A.

"Funds from operations" should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with International Financial Reporting Standards as an indicator of Petrus' performance. "Funds from operations" represents cash flow from operating activities prior to changes in non-cash working capital, transaction costs and decommissioning provision expenditures incurred. Petrus also presents funds from operations per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of earnings per share.

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