

CALGARY, ALBERTA--(Marketwired - Apr 27, 2016) - [Tanager Energy Inc.](#) ("Tanager" or the "Corporation") (TSX VENTURE:TAN) announced today that it has replaced its previously announced proposed CDN\$600,000 private placement (see news release dated January 16, 2016) with a proposal to complete a non-brokered private placement offering (the "Debenture Offering") of 10% secured convertible debentures in the principal amount of up to CDN\$1,225,000. The debentures will bear interest at a rate of ten percent (10%) per annum, calculated and payable monthly and will mature on the date that is one year from the date of issuance. The debentures will be secured against all of the real and personal property of the Corporation with the principal convertible at the holder's option at any time prior to maturity into common shares of the Corporation at a conversion price of CDN\$0.07 per common share.

The closing of the Debenture Offering is expected to occur on or about April 29, 2016, and is subject to regulatory approval, including approval of the TSX Venture Exchange. For further details of the Debenture Offering, please contact the Corporation. All securities issued in connection with the Debenture Offering will be subject to a hold period of four months from the date of closing.

The net proceeds from the Debenture Offering will be used as follows: approximately CDN\$160,000 for the installation of an artificial lift on the Corporation's current Joffre well; approximately CDN\$700,000 for the deposit and anticipated transaction costs for the Proposed Transaction, as described below; and approximately CDN\$365,000 to pay costs of the Debenture Offering, retire outstanding liabilities and to replenish working capital.

Tanager also announced the amendment to the loan from Mr. John Squarek, the President, Chief Executive Officer and a director of the Corporation, previously announced on July 22, 2015, subject to approval of the TSX Venture Exchange. Pursuant to the amendment, the principal amount of the loan would be increased to CDN\$445,000 and would be repayable on September 30, 2016, rather than being payable on demand. The loan continues to be secured against all of the real and personal property of the Corporation.

Tanager has determined that exemptions from the various requirements of the TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 are available in connection with the amendment to the loan from Mr. Squarek (Formal Valuation - Issuer Not Listed on Specified Markets; Minority Approval - Fair Market Value Not More Than 25% of Market Capitalization).

Tanager also announced today that it has entered into an asset purchase agreement (the "Purchase Agreement") with two arm's length third parties, namely Chris Pettit & Associates PC, as trustee and Roger S. Braugh Jr. (the "Sellers"), with respect to the purchase of an undivided 50% interest in certain lease holdings, including well lease holdings, and a 50% participation right in certain wells to be drilled on those leases, exercisable upon written notice to the Sellers, in the drilling of wells in the approximately 200,000 acre (312.5 square mile) geographical area in Polk County and Tyler County, Texas (the "Proposed Transaction") to formations which include the Eagleford/Woodbine and the Yegua sandstones. The Proposed Transaction is expected to close on or before June 30, 2016.

Pursuant to the Proposed Transaction, Tanager would purchase through a US subsidiary an undivided 50% interest in certain lease holdings and a 50% participation right in certain wells to be drilled on those leases, for an aggregate purchase price of US\$8,000,000. The purchase price will be satisfied by a cash payment in the amount of US\$2,000,000 and the issuance of 6% secured convertible notes in the aggregate principal amount of US\$6,000,000. The notes will bear interest at a rate of six percent (6%) per annum, calculated and payable monthly and will mature on the date that is three years from the date of issuance. The notes will be secured against all of the real and personal property of the Corporation and the principal amount is convertible at any time prior to maturity at the holder's option into common shares of the Corporation at a conversion price of CDN\$0.07 per common share. The notes and the common shares issued upon conversion, if applicable, issued in connection with the Proposed Transaction will be subject to a hold period of four months from the date of closing.

Tanager expects to fund the cash portion of the purchase price through a debt or equity financing to be completed at or prior to closing of the Proposed Transaction, the details of which will be announced at a later date.

Upon closing of the Debenture Offering, Tanager will use part of the proceeds to pay a non-refundable deposit in the amount of US\$500,000. In the event that the Purchase Agreement is terminated, other than in the event of termination by either party in the event of breach of the Agreement by the other party, Tanager will have an option to acquire a 3.125% interest in the subject assets in consideration for the deposit payment.

Upon the closing of the Proposed Transaction, the Sellers shall nominate three individuals to the board of directors of Tanager and in that regard, three of the current directors of Tanager will resign to create vacancies to allow for the appointment of the nominees of the Sellers.

Paleo Oil Company LLC ("Paleo"), a private arm's length Texas company, will be the operator with respect to the wells on the property, and will continue to hold the undivided 50% interest in the lease holdings not held by Tanager. Paleo and Tanager's US subsidiary will enter into a mutually acceptable exploration agreement and joint operating agreement governing the exploration, development and production and operating activities conducted on the property.

The completion of the Proposed Transaction is subject to an number of conditions, including completion of satisfactory land

review by Tanager, completion by Tanager of a financing for gross proceeds of not less than US\$1,500,000, part of which will be used to satisfy the cash portion of the purchase price; the requisite approval of the shareholders of Tanager, if required; the Sellers will have delivered to Tanager a National Instrument 51-101 compliant reserves report on the assets, the applicable parties will have executed a mutually acceptable joint operating agreement; and receipt of all regulatory approvals, including approval of the TSX Venture Exchange.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

[Tanager Energy Inc.](#) is a Lethbridge, Alberta based corporation engaged in the exploration for oil and gas and minerals with its operations office in Calgary, Alberta. The Corporation's common shares are listed on the TSX Venture Exchange under the trading symbol "TAN".

Forward-Looking Information: This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this news release contains forward-looking information regarding: the offering of debentures; the use of proceeds of the offering; the amendment to the loan; the Proposed Transaction and completion of the Proposed Transaction. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects Tanager's current beliefs and is based on information currently available to Tanager and on assumptions Tanager believes are reasonable. These assumptions include, but are not limited to: TSXV acceptance of the debenture offering, the amendment to the loan and the Proposed Transaction; satisfaction of the conditions to the completion of the Proposed Transaction; market acceptance and approvals, including TSXV acceptance; and the anticipated closing date for the debenture offering and the Proposed Acquisition.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Tanager to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; competition; changes in legislation, including environmental legislation, affecting Tanager; the timing and availability of external financing on acceptable terms; and lack of qualified, skilled labour or loss of key individuals. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in Tanager's disclosure documents on the SEDAR website at www.sedar.com. Although Tanager has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement. The forward-looking information contained in this news release represents the expectations of Tanager as of the date of this news release and, accordingly, is subject to change after such date. However, Tanager expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

Contact

[Tanager Energy Inc.](#)

John Squarek

President and Chief Executive Officer

403-388-0969

john@tanagerenergy.com