CALGARY, ALBERTA--(Marketwired - May 2, 2016) - Lightstream Resources Ltd. (the "Company" or "Lightstream") (TSX:LTS) announces that the semi-annual borrowing base re-determination under our syndicated secured termed credit facility has been completed and the borrowing base has been reduced from $550 million to $250 million. The borrowing base is set by the lowest determined amount by any one member of the 16 member syndicate; the range was from $250 million to $380 million. Currently the Company has $371 million outstanding under the credit facility including issued letters of credit. Under the terms of the credit agreement, we have 90 days to cure the shortfall before triggering an event of default. The Company has cash on hand, regular monthly oil and gas revenue and we intend to continue with normal operations during the cure period. In addition, we continue to pursue various strategies to improve our balance sheet and liquidity position, including alternate first lien financing, asset sales and negotiated restructuring alternatives, which we are targeting to have completed or well in progress prior to June 30, 2016. However, if we are unable to execute on an appropriate strategic transaction in a timely manner, based on current commodity prices, our funds flow from operations is not expected to be sufficient to fund our upcoming junior debt interest payment obligations, the first of which is due June 15, 2016.

Lightstream Resources Ltd. is an oil and gas exploration and production company focused on light oil in the Bakken and Cardium resource plays. We are committed to delivering industry leading operating netbacks, strong cash flows and consistent operating results through leading edge technology applied to a multi-year inventory of existing and emerging resource play opportunities. Our long-term strategy is to efficiently develop our assets and deliver an attractive dividend yield.

Forward-Looking Statements. Certain information provided in this press release constitutes forward-looking statements. Specifically, this press release contains forward-looking statements relating to sufficiency of cash to fund ongoing operations and our pursuit of strategic initiatives. The forward-looking statements are based on information currently available as well as certain expectations and assumptions concerning anticipated financial performance, business prospects and general market conditions. Although we believe 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 we 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, our inability to implement strategic initiatives to mitigate liquidity risk and avoid default under our debt agreements, commodity price and exchange rate fluctuations, general conditions in the oil and gas industry and general economic conditions. Certain of these risks are set out in more detail in our Annual Information Form which has been filed on SEDAR and can be accessed at www.sedar.com. Except as may be required by applicable securities laws, Lightstream assumes no obligation to publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

Contact

Lightstream Resources Ltd.
John D. Wright
President and Chief Executive Officer
403.268.7800

Lightstream Resources Ltd.
Peter D. Scott
Senior Vice President and Chief Financial Officer
403.268.7800

Lightstream Resources Ltd.
Annie C. Belecki
General Counsel
403.218.6075
403.268.7800
ir@lightstreamres.com
www. lightstreamresources.com