CALGARY, ALBERTA--(Marketwired - June 13, 2016) -

NOT FOR DISSEMINATION IN THE UNITED STATES, FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF UNITED STATES SECURITY LAW

NuVista Energy Ltd. ("NuVista" or the "Company") (TSX:NVA) is pleased to announce a number of key steps that have been taken to increase growth, value, and liquidity for the remainder of 2016 and 2017. These include the sale of our W6 Deep Basin Non-Montney Asset, the placement of senior unsecured notes ("Senior Notes"), and the augmentation of our spending plans. These steps, together with recent strengthening of commodity strip prices, allow us to provide a profitable, fully funded growth plan for 2016 and 2017 while maintaining a strong balance sheet.

W6 Deep Basin Non-Montney Asset Sale ("W6 Assets")

NuVista has entered into a definitive purchase and sale agreement for the divestiture of our W6 Sweet Cretaceous (Non-Montney) natural gas assets in the Wapiti area south of Grande Prairie in exchange for $70 million in cash (before adjustments) together with certain Wapiti area Montney lands. Proceeds from the disposition will initially be used to repay existing bank indebtedness.

The metrics associated with the divested non-Montney assets are summarized as follows:

- The current production is approximately 3,200 Boe/d, comprised of 73% natural gas, 22% NGL's, and 5% condensate;
- 2017 average production is expected to be 2,500 Boe/d;
- Funds from operations are anticipated to be approximately $3.0 million* for the second half of 2016; and
- Total Proved Producing (PDP) reserves are 7.5 MMBoe and Total Proved Plus Probable reserves are 21.7 MMBoe with FDC of $102 million**.

Closing of the transaction is anticipated to be on June 17, 2016 and is subject to customary closing conditions. RBC Capital Markets acted as exclusive financial advisor to NuVista on this transaction.

* Funds from Operations is based on the May 31, 2016 commodity strip prices of $2.10/GJ AECO for the second half of 2016 and $2.60/GJ for 2017. WTI pricing for the same periods is anticipated to be US$50.00/Bbl and US$51.50/Bbl, respectively ("Strip Pricing"). Total cash costs for the W6 Assets for the remainder of 2016 are expected to average approximately $7.80/Boe.

** Reserve estimates above are based on the report prepared in accordance with National Instrument 51-101 by GLJ Petroleum Consultants Ltd., our independent petroleum consultants dated February 18, 2016 and effective December 31, 2015 evaluating our crude oil, natural gas and natural gas reserves, adjusted to account for year to date production.

Senior Unsecured Debt Financing

NuVista has entered into an agreement to place five-year Senior Notes in the amount of $70 million with Magnetar Capital, a large strategic investor. The coupon rate is 9.875%, and there are no maintenance or financial covenants. The expected proceeds of the placement, net of all costs will be approximately $67 million which will initially be used to repay existing bank indebtedness. Closing of this transaction is anticipated to be on or before June 30, 2016 and is conditional upon closing of the asset sale and the amendments to our credit facility described below. CIBC Capital Markets acted as exclusive financial advisor to NuVista on this transaction.

Borrowing Base Redetermination

NuVista has completed the annual redetermination of our borrowing base with our syndicate of lenders. After adjustments to account for the issuance of the Senior Notes as well as the divestiture of W6 assets, NuVista's borrowing base will be set at $200 million effective July 1, 2016. After giving effect to these transactions NuVista will have approximately $110 million drawn on our revised $200 million credit facility.

2016 Outlook and Guidance

The strategic steps outlined in this press release will enable NuVista to provide a fully funded growth plan into 2017. Reinvesting a portion of the W6 Asset sale proceeds into drilling additional Montney wells will allow us to maintain a minimal reduction to our 2016 production guidance while increasing 2016 cashflow guidance and overall liquidity. By the end of 2016, we expect the divested production volumes will be completely replaced with higher netback Montney production. NuVista will increase Wapiti Montney drilling activity from the current level of one rig, to two rigs effective immediately. More than 95% of NuVista's production is expected to come from the Wapiti Montney by the end of this year. For 2016 and 2017, we will maximize growth while maintaining a ratio of debt to funds flow from operations near or below our target maximum of 2x and holding debt relatively flat.

NuVista's Board of Directors has approved an augmented capital spending budget for 2016 in the range of $165 - $175 million (approximately $100 million, net of the divestiture proceeds). After accounting for the reinvestment and the sale of W6 Non-Montney assets, we anticipate 2016 production to average in the range of 23,500 - 24,500 Boe/d. Our guidance for funds from operations for 2016 is increased to a range of $110 - $120 million at Strip Pricing. The preceding guidance is inclusive of an ongoing three to four week plant outage for maintenance at the SemCams K3 gas plant, and notified TCPL outages which have a combined full year 2016 impact of approximately 500-750 Boe/d. NuVista continues to benefit from the use of plant pipeline interconnections which we have put in place with area midstreamers in order to maximize flow flexibility during outages.

NuVista will continue to focus prudently upon balance sheet strength in 2017. With commodity prices continuing to recover, we anticipate increased value-driven growth and spending flexibility with a reducing debt to cashflow ratio. Our current outlook for 2017 spending is in the range of $140 - $180 million, with the low end of the range based on current Strip Pricing, and the high end based on US$60/Bbl WTI and $3.00/GJ AECO. Based on this range, 2017 production is expected to average 26,000 - 29,000 Boe/d which represents 10-20% growth per share over 2016 guidance. More certainty on our 2017 plans will unfold as we head towards our annual budget cycle in the fall of 2016.

Given our top quality assets and a management team focused upon relentless improvement, NuVista will continue to optimize results in the recovering 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 guidance and support as we build an ever more valuable future for NuVista.

This press release is not an offer of securities for sale in the United States. The securities of NuVista may not be offered or sold in the United States absent registration or an exemption from registration. The securities of NuVista will not be publicly offered in the United States. The securities of NuVista have not been or will not be registered under the U.S. Securities Act or any state security laws.

ADVISORIES 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 does 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.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

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, relating to the anticipated net proceeds from the sale of the W6 Assets, the closing date of the sale of the W6 Assets, funds from operations, production estimates and reserves for the W6 Assets, the closing date for the issuance of the Senior Notes, future amounts drawn on our credit facility and debt to funds flow from operations ratio, anticipated production outages; our plans with respect to reinvestment of the W6 Asset Sale proceeds, drilling plans, 2016 and 2017 production volumes, management's assessment of NuVista's future strategy, plans, opportunities and operations, forecast, future funds from operations and other financial results, commodity price expectations and AECO exposure, the timing, allocation and efficiency of NuVista's capital program and the results therefrom, 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 satisfaction of the closing conditions to the transactions described herein and on the terms and timing contemplated, the impact of general economic conditions, industry conditions, current and future commodity prices, currency and interest rates, future royalties, future operating costs, 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, debt levels 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" and "debt to funds flow from operations" to analyze operating performance and leverage. These terms do not have any standardized meaning prescribed by GAAP and therefore may not be comparable with the calculation of similar measures for other entities.

Funds from operations is based on cash flow from operating activities as per the statement of cash flows before changes in non-cash working capital, asset retirement expenditures, note receivable allowance or recovery and environmental remediation expenses. 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. For more details on non-GAAP measures including a reconciliation to GAAP measures refer to our Management's Discussion and Analysis.

Cash costs include expenses related to royalties, operating, transportation, general and administrative and interest charges. For the full year of 2016, NuVista's total cash costs are expected to average approximately $18.00/Boe. For 2017, total cash costs are expected to average approximately $17.30/Boe.

All references to funds from operations throughout this press release are based on funds from operating activities before changes in non-cash working capital, asset retirement expenditures, note receivable allowance or recovery and environmental remediation expenses. Funds from operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net loss per share. Operating netback equals the total of revenues including realized financial derivative gains/losses less royalties, transportation and operating expenses calculated on a Boe basis. Funds from operations netback is operating netback less general and administrative, restricted stock units and interest expenses calculated on a Boe basis.

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