

CALGARY, June 29, 2016 /CNW/ - Toro Oil & Gas Ltd. (TSXV: TOO) ("Toro" or the "Company") is pleased to announce the closing of its previously announced \$11.3 million bought deal financing pursuant to a short-form prospectus ("Public Offering") including the partial exercise of the over-allotment option for total gross proceeds of approximately \$12.6 million. The Public Offering was led by AltaCorp Capital Inc., and included GMP Securities L.P., Macquarie Capital Markets Canada Ltd., National Bank Financial Inc., FirstEnergy Capital Corp. and PI Financial Corp. (collectively, the "Underwriters"). In total, 54,820,400 units ("Units") were sold pursuant to the Public Offering at a price of \$0.23 per Unit. Each Unit consists of one common share ("Common Share") and one-half of one transferable common share purchase warrant ("Warrant") of the Company. Each whole Warrant will entitle the holder thereof to acquire one Common Share for a period of three years following the closing of the Offering at an exercise price of \$0.40 per Common Share.

As mentioned, a portion of the Underwriters' over-allotment option was exercised concurrent with closing of the Public Offering with the remaining units subject to the over-allotment option exercisable in whole or in part at any time up to 30 days from the closing of the Public Offering.

The net proceeds from the Public Offering will be used to expand the Company's capital budget, for debt reduction and for general corporate purposes. Toro anticipates returning to drilling operations in the second half of 2016 with a sustained commodity price recovery. Until such time, Toro will continue to preserve capital and perform routine field operations maintenance. Consequently, Toro will provide revised 2016 corporate guidance in the near future.

The Company has received conditional approval from the TSX Venture Exchange ("TSXV") to list the Common Shares under the symbol TOO as well as the Warrants under the symbol TOO.WT pursuant to the Public Offering. Such listing will be subject to Toro fulfilling all of the listing requirements of the TSXV.

The Common Shares and Warrants underlying the Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Units in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Toro Oil & Gas Ltd.

Toro is a junior oil and gas energy company listed on the TSXV. Toro is focused on acquiring, developing and exploiting large oil in place pools within the Alberta-Saskatchewan Viking light oil fairway. Toro intends to grow by way of organic development and strategic acquisitions while maintaining strict financial discipline to maximize shareholder return.

Forward-Looking Information

The reader is advised that some of the information contained herein may constitute forward-looking information within the meaning of National Instrument 51-102 and other relevant securities legislation. Forward-looking information contained herein includes, but is not limited to, statements with respect to completion and timing of the Public Offering, the ability of Toro to take advantage of increasing commodity prices to recommence drilling operations, Toro's capital plan the absence of a sustained commodity prices increase, and the listing of the Common Shares and the Warrants issued pursuant to the Public Offering on the TSXV. Such forward-looking statements are based on a number of assumptions, including the timely receipt of all required regulatory approvals for the Public Offering.

Actual results may vary from forward-looking information and readers are cautioned not to place undue reliance on forward-looking information. The Company does not undertake any obligation to release publicly any revisions to forward-looking information contained herein to reflect events or circumstances that occur after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

SOURCE Toro Oil & Gas Ltd

Contact

Barry Olson, President and Chief Executive Officer; Greg Phaneuf, Vice President, Finance and Chief Financial Officer, Telephone: (403) 237-9996