

CALGARY, ALBERTA--(Marketwired - Jul 20, 2016) - [Serinus Energy Inc.](#) ("Serinus", "SEN" or the "Company") (TSX:SEN)(WARSAW:SEN) is pleased to provide the following update for its operations for the second quarter of 2016.

Second Quarter Production and Realized Prices

Average corporate production for the second quarter was approximately 1,217 boe/d (SEN WI), representing a 45% decrease from 2,213 boe/d in the first quarter. The difference is due substantially to the sale of the Ukraine assets in early February. Ukraine production for Q1 was 1,059 boe/d.

Overall production from Tunisia for Q2 was 1,217 boe/d, 5.5% higher than the 1,154 boe/d in Q1 2016 and substantially unchanged from 1,206 boe/d in Q2 2015. Oil averaged 900 bbl/d, and gas was 1.9 MMcf/d. The increase vs. the prior quarter was due to higher production from several wells after having pump changes in Q1. Estimated realized prices during the quarter were \$40.79/bbl and \$4.41/Mcf.

Tunisia production for July to date has averaged approximately 1,070 boe/d, comprised of 864 bbl/d of oil and 1.2 MMcf/d of natural gas. Gas sales have been restricted due to operational issues at STEG, the national gas utility. The WIN-12bis well in the Sabria Field is also being constrained while scale inhibition measures are being implemented. Once those measures are in place, WIN-12bis remains capable of producing over 1,000 boe/d, despite having been on production since December 2014. The WIN-13 well commenced production in May 2015 at an initial rate of approximately 130 boe/d, and has gradually increased to nearly 300 boe/d in July to date, and water cuts continue to decrease.

Note: the volumes and prices referred to above are subject to minor revisions once final allocations and invoices are received.

The Company, through its wholly owned subsidiary Winstar Tunisia B.V. ("Winstar"), has entered into a marketing agreement with Shell International Trading and Shipping Company Limited ("Shell") for the sale of its Tunisian oil production. The term of the agreement is for 5 years and the pricing mechanism is competitive with realized prices that Winstar has received from other purchasers of its Tunisian crude oil. This benefits the Company by getting regular crude oil liftings from a large and highly reputable purchaser.

Outlook

The Company's focus remains on reducing costs wherever possible while maintaining existing production in Tunisia. The Company estimates that new drilling is economically viable at current prices in the mid - forties per barrel, provided they are sustainable. The 2016 budget will be re-examined on an ongoing basis in the event of that management becomes confident that such prices can be sustained, and that funding is available to recommence drilling. Existing production in Tunisia remains cash flow positive at prices as low as \$30/bbl.

In Romania, Serinus will concentrate on moving the Moftinu-1001 discovery into the experimental production phase. Pending ratification of the Phase 3 extension of the Satu Mare Licence, management continues to refine the drilling program and has commenced preliminary design of the required surface facilities.

The Company is examining several alternatives for funding the development activities in both Romania and Tunisia.

Abbreviations

bbl	Barrel(s)	bbl/d	Barrels per day
boe	Barrels of Oil Equivalent	boe/d	Barrels of Oil Equivalent per day
Mcf	Thousand Cubic Feet	Mcf/d	Thousand Cubic Feet per day
MMcf	Million Cubic Feet	MMcf/d	Million Cubic Feet per day
Mcfe	Thousand Cubic Feet Equivalent	Mcfe/d	Thousand Cubic Feet Equivalent per day
MMcfe	Million Cubic Feet Equivalent	MMcfe/d	Million Cubic Feet Equivalent per day
Mboe	Thousand boe	Bcf	Billion Cubic Feet
MMboe	Million boe	Mcm	Thousand Cubic Metres
UAH	Ukrainian Hryvnia	USD	U.S. Dollar
CAD	Canadian Dollar	\$M	Thousands of Dollars
\$MM	Millions of Dollars		

Cautionary Statement:

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 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.

Test results are not necessarily indicative of long-term performance or of ultimate recovery. The test data contained herein is considered preliminary until full pressure transient analysis is complete.

About Serinus

Serinus is an international upstream oil and gas exploration and production company that owns and operates projects in Tunisia, and Romania.

For further information, please refer to the Serinus website (www.serinusenergy.com).

Translation: This news release has been translated into Polish from the English original.

Forward-looking Statements This release may contain forward-looking statements made as of the date of this announcement with respect to future activities that either are not or may not be historical facts. Although the Company believes that its expectations reflected in the forward-looking statements are reasonable as of the date hereof, any potential results suggested by such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors that could impair or prevent the Company from completing the expected activities on its projects include that the Company's projects experience technical and mechanical problems, there are changes in product prices, failure to obtain regulatory approvals, the state of the national or international monetary, oil and gas, financial, political and economic markets in the jurisdictions where the Company operates and other risks not anticipated by the Company or disclosed in the Company's published material. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties and actual results may vary materially from those expressed in the forward-looking statement. The Company undertakes no obligation to revise or update any forward-looking statements in this announcement to reflect events or circumstances after the date of this announcement, unless required by law.

Note: Serinus reports in US dollars. All dollar amounts referred to herein are in USD, unless specifically noted otherwise.

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