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[Pine Cliff Energy Ltd.](#) ("Pine Cliff" or the "Company") (TSX:PNE) is pleased to announce that it has issued subordinated floating charge debentures to insiders of the Company for a total of \$11 million (the "Debentures"), entered into a purchase and sale agreement to sell a non-core oil asset for \$5.5 million (the "Disposition") and extended its semi-annual borrowing base redetermination with its banking syndicate of Canadian Financial Institutions (the "Syndicate") until August 10, 2016.

The Debentures mature on July 29, 2018, can be repaid at any time without penalty and will bear interest at 0.25% less than the monthly average effective interest rate paid to the Syndicate. The proceeds from the Debentures will be used to pay down bank indebtedness resulting in a permanent reduction to the Company's borrowing facility.

The Disposition will be effective July 1, 2016 and is anticipated to close on August 10, 2016. The agreement related to the Disposition is subject to various standard conditions and there is no assurance that the Disposition will close at all. The Disposition assets currently produce approximately 130 barrels per day of oil.

About Pine Cliff

Pine Cliff is a natural gas company with a long-term view of creating shareholder value. Further information relating to Pine Cliff may be found on www.sedar.com as well as on Pine Cliff's website at www.pinecliffenergy.com.

Cautionary Statements

Certain statements contained in this news release include statements which contain words such as "anticipate", "could", "should", "expect", "seek", "may", "intend", "likely", "will", "believe" and similar expressions, statements relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about development, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and are based on certain assumptions and analysis made by us derived from our experience and perceptions. In particular, this news release contains statements regarding the operational, economic and financial impacts of the Disposition on Pine Cliff, anticipated use of the net proceeds of the Disposition and the anticipated closing date of the Disposition. The foregoing statements assume all the conditions, including applicable regulatory approvals and to completion of the Disposition will be satisfied. There is no assurance that all of the conditions to the Disposition will be met and therefore there is a risk that the Disposition will not be completed in the form described above or at all. In the event the Disposition does not close as presently anticipated, Pine Cliff will not realize the anticipated benefits of the Disposition. As such, many factors could cause the performance or achievement of Pine Cliff to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Because of the risks, uncertainties and assumptions contained herein, readers should not place undue reliance on these forward-looking statements.

Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do, what benefits will be derived there from. Except as required by law, Pine Cliff disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Certain information contained herein is based on Pine Cliff internal estimates. Although Pine Cliff believes such information is accurate and reliable, at this time such information has not been verified by any independent sources and Pine Cliff does not make any representations as to the accuracy of such estimates.

The forward-looking information contained in this release is expressly qualified by this cautionary statement.

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