

DENVER, CO--(Marketwired - September 06, 2016) - [Synergy Resources Corp.](#) (NYSE MKT: SYRG) ("Synergy" or the "Company"), an oil and gas exploration and production company focused in the Denver-Julesburg Basin, today issues its preliminary 2017 fiscal year production and capex guidance, provides operations update and announces participation in upcoming investor conferences.

Preliminary 2017 Guidance

	Full-Year 2017 Guidance
Daily Production (BOE/day)	17,500 - 20,000
Drilling & Completion Costs (\$MM)	\$260 - \$300
Lease Operating Expense (LOE/BOE)	\$5.00 - \$5.50

The Company has identified over 1,000 gross drilling locations with mid to long laterals (~7,500' to ~9,500') across its consolidated Greeley Crescent ("GC") acreage position. Based on current analysis, 20-24 wells per drilling spacing unit has been determined to be optimal well spacing design. This evaluation is ongoing and as a result of further analysis, acreage trades and potential acquisitions, the Company expects the number of drilling locations to increase over time.

The 2017 preliminary budget is based upon a two rig program operating primarily inside the boundaries of the GC acreage. The guidance presented above reflects Synergy's preliminary operating plan. The guidance ranges for daily production as well as drilling and completion costs reflect the uncertainty around both commodity price levels and the timing of operations. Because Synergy does not have substantial operational or near-term financial commitments, the Company retains the operational and financial flexibility to reduce or accelerate activity in response to existing economic conditions.

During 2017, the Company expects to drill 68 gross mid-length laterals and 34 gross long length laterals, spread across all three benches of the Niobrara as well as the Codell formations. During the same period Synergy expects to complete 52 gross mid-length laterals and 43 gross long length laterals. The Company projects an average working interest of 80% and an average net revenue interest of 64% for all wells drilled and completed in 2017.

The drilling and completion program has been developed in conjunction with the Company's third party oil, gas and water midstream partners. Synergy expects oil gathering infrastructure to be built in advance of operations, significantly reducing truck traffic in and around operating areas. Management expects basin differentials to remain at approximately \$10 per barrel until gross production exceeds its current pipeline commitments, at which time the differentials could be reduced as Synergy should have additional market optionality.

The preliminary lease operating expense guidance of \$5-\$5.50 per barrel of oil equivalent reflects the Company's expectation of ongoing remediation work on vertical wells as the Wattenberg Field continues to evolve toward horizontal development.

OPERATIONS UPDATE

The Company's drilling operations are progressing on schedule at the two Evans pads, where each of Synergy's operated rigs are scheduled to drill 11 wells. Thirteen of the wells have projected laterals of ~9,500' with the remaining nine wells projected to have ~12,000' laterals. Drilling operations are expected to be completed mid fourth quarter followed by commencement of completion operations in late 2016 and moving into 2017.

Completion operations are underway and on schedule on the Company's Fagerberg pad which has 14 mid length wells. The Company expects to have these wells in production mid fourth quarter.

MANAGEMENT COMMENT

Lynn A. Peterson, Chief Executive Officer of Synergy commented "With the staff that we have assembled and the quality of the acreage we have acquired the Company is excited and well prepared as we approach 2017. We will continue to exercise financial discipline and prudently respond to commodity prices throughout the coming quarters. The contiguous nature of our acreage position not only provides us the opportunity to efficiently build out infrastructure but it also allows us to drill longer laterals that we expect to yield stronger economics when compared to our historical program. With the continued performance of our four mid-length Bestway wells, located in the heart of the GC acreage, we are excited to be drilling the 22 wells on our offsetting Evans pads." Peterson continued, "As Synergy operates during the second half of 2016 and prepares to enter 2017 we are well positioned to leverage our operational momentum to generate industry leading production growth rates while maintaining an under levered balance sheet and operational flexibility."

UPCOMING INVESTOR CONFERENCES

Presentations provided in conjunction with these events will be available on Synergy's website at www.syrinfo.com the morning of the respective presentation. Members of [Synergy Resources Corp.](#) senior management will participate in the following hosted investor events:

Barclays CEO Energy-Power Conference

Lynn Peterson (CEO) presents on September 7, 2016 at 4:25 PM EST at the Sheraton in New York, NY -- Also in attendance for 1x1 meetings will be Mike Eberhard (COO Operations) and John Richardson (IR Manager). This presentation will be webcast live and can be accessed from Synergy's IR Website by clicking on the conference name. The replay will be available for 60 days following the event.

Stifel Baltusrol Executive Summit

Lynn Peterson (CEO) and James Henderson (CFO) will host one-on-one meetings on September 12, 2016 in Springfield, NJ

Credit Suisse Small/Mid Cap Conference

Lynn Peterson (CEO), James Henderson (CFO) and Brant DeMuth (VP Finance) will host one-on-one meetings on September 14, 2016 in New York, NY

Deutsche Bank Boston Energy Conference

Lynn Peterson (CEO) and James Henderson (CFO) will host one-on-one meetings on September 20, 2016 in Boston, MA

Johnson Rice 2016 Energy Conference

Brant DeMuth (VP Finance) presents on September 22, 2016 at 8:00 AM CST at the Ritz Carlton in New Orleans, LA - Also in attendance for 1x1 meetings will be Nick Spence (COO)

Stephens Fall Investment Conference

James Henderson (CFO) will present on November 8 at the New York Palace Hotel in New York, NY - Also in attendance for 1x1 meetings will be Mike Eberhard (COO Operations)

Baird 2016 Global industrial Conference

James Henderson (CFO) will present - November 9 at 11:00 AM CST at the Four Seasons Hotel in Chicago, IL - Also in attendance for 1x1 meetings will be Mike Eberhard (COO Operations)

BAML 2016 Global Energy Conference

Lynn Peterson (CEO) will present - November 17-18 at the Fontainebleu Miami Beach, FL - Also in attendance for 1x1 meetings will be James Henderson (CFO)

About Synergy Resources Corporation

[Synergy Resources Corp.](http://www.syrginfo.com) is a domestic oil and natural gas exploration and production company. Synergy's core area of operations is in the Wattenberg Field of the Denver-Julesburg Basin. The Denver-Julesburg Basin encompasses parts of Colorado, Wyoming, Kansas, and Nebraska. The Company's corporate offices are located in Denver, Colorado. More company news and information about Synergy is available at www.syrginfo.com.

Important Cautions Regarding Forward Looking Statements

This press release may contain forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. The use of words such as "believes", "expects", "anticipates", "intends", "plans", "estimates", "should", "likely" or similar expressions, indicates a forward-looking statement. Forward-looking statements herein include statements regarding expected future production, expenses, capital projects and expenditures, expected drilling locations and targets, expected working and net revenue interests, future differentials, midstream projects and issues, and well results. These statements are subject to risks and uncertainties and are based on the beliefs and assumptions of management, and information currently available to management. The actual results could differ materially from a conclusion, forecast or projection in the forward-looking

information. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information. The identification in this press release of factors that may affect the Company's future performance and the accuracy of forward-looking statements is meant to be illustrative and by no means exhaustive. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. Factors that could cause the Company's actual results to differ materially from those expressed or implied by forward-looking statements include, but are not limited to: the success of the Company's exploration and development efforts; the price of oil and gas; worldwide economic situation; change in interest rates or inflation; willingness and ability of third parties to honor their contractual commitments; the Company's ability to raise additional capital, as it may be affected by current conditions in the stock market and competition in the oil and gas industry for risk capital; the Company's capital costs, which may be affected by delays or cost overruns; costs of production; environmental and other regulations, as the same presently exist or may later be amended; the Company's ability to identify, finance and integrate any future acquisitions; the volatility of the Company's stock price; and the other factors described in the "Risk Factors" sections of the Company's filings with the Securities and Exchange Commission, all of which are incorporated by reference in this release.

Contact

Company Contact:

John Richardson (IR Manager)

[Synergy Resources Corp.](#)

Tel 720-616-4308

E-mail: jcrichardson@syrinfo.com