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[Mitra Energy Inc.](#) (TSX VENTURE:MTE) ("Mitra" or the "Company") announces that, further to its previous press releases and having received strong commitment and support from certain existing shareholders who will participate as lead orders, the Company has priced its previously announced private placement (the "Private Placement") at \$0.45. The Company will be proceeding with the Private Placement of subscription receipts (the "Subscription Receipts") with each Subscription Receipt entitling the holder thereof to receive, without payment of additional consideration or further action, one common share of the Company upon closing of the Company's previously announced acquisition of the Stag oil field from Quadrant Northwest Pty. Ltd. and Santos Offshore Pty. Ltd. (the "Stag Acquisition"). As previously announced, Macquarie Capital Markets Canada Ltd. ("Macquarie") has been engaged as lead agent for the Private Placement, with FirstEnergy Capital LLP and Peel Hunt LLP acting as co-agents (collectively, the "Agents") and it is currently anticipated that the Agents will be closing the books in the coming days with a closing date targeted for October 19, 2016. With the pricing of the Private Placement now complete, it is anticipated that the common shares of Mitra will resume trading on October 11, 2016.

The gross proceeds from the Private Placement will be held in escrow pending closing of the Stag Acquisition and will be released to Mitra upon the closing of the acquisition, which is currently anticipated to be around the end of October. If the Stag Acquisition fails to close by December 1, 2016 (except as extended by Macquarie), or the Stag Acquisition is terminated at an earlier time, the gross proceeds and pro rata entitlement to interest earned on the escrowed proceeds will be paid to holders of the Subscription Receipts.

The Company has concluded certain transitional arrangements and contract novations, received Australian Foreign Investment Review Board approval and is working to secure the necessary approval from the National Offshore Petroleum Titles Administrator, all of which are conditions to closing the Stag Acquisition. The TSX Venture Exchange has conditionally approved the acquisition subject to completion of the Private Placement. For further details regarding the Stag Acquisition and the Stag assets please refer to the Company's press releases dated July 26, 2016 and September 7, 2016.

Furthermore, the Company wishes to provide an update with respect to the previously announced proposed acquisition (the "Block 05-01 Acquisition") of a 30% working interest in blocks 05-1b and 05-1c production sharing contract ("Block 05-01") located offshore Vietnam (please see press releases dated August 9, 2016 and August 23, 2016 for further details regarding this proposed acquisition). The contractual pre-emption rights arising under the Block 05-01 Joint Operating Agreement have not been exercised and have now expired. The statutory pre-emptive right held by PetroVietnam under Vietnamese law has not yet expired and the Company continues to have discussions in that regard and to move towards completion by securing the necessary approvals. The Company intends to provide further material updates as the process moves forward.

Proceeds from the Private Placement will be used to finance: (i) the purchase price for the Stag Acquisition (US\$10 million), (ii) a bank guarantee or letter of credit in the amount of US\$10million to be provided to a key contractor to the Stag oil field to support certain obligations under a long-term contract, (iii) further appraisal and infill drilling on the Stag assets, and (iv) working capital. Certain of the proceeds will also be used to finance the purchase price of the Block 05-01 Acquisition, although the release from escrow of the escrowed funds will not be conditional on closing the Block 05-01 Acquisition.

About Mitra Energy Inc.

[Mitra Energy Inc.](#) is TSX-V listed oil and gas company headquartered in Kuala Lumpur, Malaysia. The Company is currently engaged in exploration, appraisal and pre-development activities in the Philippines, Vietnam and Indonesia. Following a recent strategic review, the Company is focusing on acquiring assets with production in the near term, and where significant follow-on reinvestment opportunities exist to enhance value, as well as undeveloped discoveries which may be rapidly brought to production.

Cautionary Statements

This press release contains certain forward-looking information and forward-looking statements (collectively, "forward-looking information") that involves various risks, uncertainties and other factors. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "should", "believe", "plans", and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information pertaining to the following: the date on which the Mitra common shares are anticipated to resume trading; the commitments from investors to participate in the Private Placement; the anticipated closing date of the Stag Acquisition and timing to receive all required approvals for same; the Company's intention to provide material updates regarding the Block 05-1 Acquisition; the use of proceeds of the Private Placement; and, the Company's current strategic focus.

With respect to forward-looking information contained in this news release, assumptions have been made regarding, among other things: satisfaction of the conditions to closing of the Stag Acquisition and the Block 05-1 Acquisition; the Company's ability to successfully integrate the acquired assets to be acquired under the Stag Acquisition and the Block 05-1 Acquisition;

the Company's ability to obtain all required approvals for the Stag Acquisition, the Block 05-1 Acquisition and the Private Placement.

Actual results could differ materially from those anticipated in the forward-looking information as a result of the possible failure of the Company to complete the Stag Acquisition and/or the Block 05-1 Acquisition and/or to realize the anticipated benefits of the Stag Acquisition and/or the Block 05-1 Acquisition and other risks including volatility in market prices and demand for oil, natural gas liquids and natural gas and hedging activities related thereto; general economic, business and industry conditions; variance of the Company's actual capital costs, operating costs and economic returns from those anticipated; risks related to the exploration, development and production of oil and natural gas reserves and resources; negative public perception of oil and natural gas development and transportation, hydraulic fracturing and fossil fuels; actions by governmental authorities, including changes in government regulation, royalties and taxation; the management of the Company's growth; the availability, cost or shortage of rigs, equipment, raw materials, supplies or qualified personnel; the absence or loss of key employees; uncertainty associated with estimates of oil, natural gas liquids and natural gas reserves and resources and the variance of such estimates from actual future production; dependence upon compressors, gathering lines, pipelines and other facilities, certain of which the Company does not control; failure to accurately estimate abandonment and reclamation costs; changes in the interpretation and enforcement of applicable laws and regulations; terrorist attacks or armed conflicts; natural disasters; reassessment by taxing authorities of the Company's prior transactions and filings; variations in foreign exchange rates and interest rates; third-party credit risk including risk associated with counterparties in risk management activities related to commodity prices and foreign exchange rates; sufficiency of insurance policies; potential for litigation; variation in future calculations of certain financial measures; and potential competition in the Company's industry.

The forward-looking information and statements contained in this news release speak only as of the date hereof, and the Company does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

The conversion of C\$ to US\$ in this news release is based on the exchange rate as of the date of this news release.

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.

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