

CALGARY, ALBERTA--(Marketwired - Oct 12, 2016) - [Marksmen Energy Inc.](#) (TSX VENTURE:MAH)(OTCQB:MKSEF) ("Marksmen" or the "Company") is pleased to announce that its wholly owned subsidiary, Marksmen Energy USA, Inc., as operator, and its joint operating partner Houghton Investments LLC., hereby release third quarter production results for its Davis-Holbrook #1 well, in Pickaway County, Ohio. Marksmen owns a 75% working interest in the well.

Oil production from this well began on July 15, 2016 or a total of 77 days to September 30, the end of the third quarter. The cumulative production in this period is approximately 6,075 barrels or 79 barrels of oil per day. To date the production rate has been constant with no decline and the well has not produced any water.

Marksmen conservatively decided to produce the well for approximately 9 to 10 hours per day. Production has been consistent over this time frame at between 78 and 82 barrels of oil per day. Marksmen is evaluating the well's performance by regularly obtaining fluid levels in the casing. There has been minimal decline in the fluid level since the well began producing.

The fluid level and low hours on production indicates that the well is likely capable of supporting higher production rates. Marksmen is managing the production rate to evaluate the well's performance and also taking into account the price of West Texas Intermediate ("WTI") oil. Effective October 10, 2016 one additional hour was added to the time on production to determine the impact on the daily production rate and the associated fluid level. Additional production increases will be considered as Marksmen continues evaluating the well's performance and also in response to the changes in market price for WTI oil (currently over \$50 USD per barrel).

The well, as of September 30 has generated cumulative gross revenues of approximately \$267,000 USD at a realized price of approximately \$43.95 USD per barrel. Over this time frame, royalties at 12.5% of gross revenue or \$34,000 USD and operating expenses of approximately \$4,000 USD equate to total expenses of approximately \$6.25 USD per barrel. The operating income of approximately \$229,000 USD equates to an operating net-back of approximately \$37.75 USD per barrel of oil during the third quarter of 2016.

The capital cost of drilling and completing the well totaled \$271,500 USD or \$24,000 USD under budget. At September 30, 2016 the well is approximately 85% paid-out (well operating income divided by capital costs). At current production rates and the current realized oil price, it is expected that the well will reach 100% pay-out before the end of October, 2016.

Marksmen has identified four direct offset development wells to the Davis-Holbrook #1 and Strittmatter #1 locations for drilling and completion, all in the same Cambrian Knox remnant. There are an additional 20 other drilling locations in the total 12 square miles of three dimensional seismic owned by Marksmen.

Archie Nesbitt, CEO and President of Marksmen says, "I believe this oil well is a game changer for Marksmen. We are very pleased with the positive impact that this well will have on Marksmen's current and future cash-flows. We look forward to the drilling of the development wells in close proximity to this well."

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 news release.

This news release may contain certain forward-looking information and statements, including without limitation, statements pertaining to the Company's drilling and seismic plans, well production results, pay-back, operations and operating netbacks. All statements included herein other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in Marksmen's disclosure documents on the SEDAR website at www.sedar.com. Marksmen does not undertake to update any forward-looking information except in accordance with applicable securities laws.

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