SINGAPORE, SINGAPORE--(Marketwired - Nov. 2, 2016) -

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Mitra Energy Inc. (TSX VENTURE:MTE) ("Mitra" or the "Company") is pleased to announce that, as a result of existing shareholders wishing to upsize their financing commitment to Mitra, the Company has decided that it will now be proceeding with a non-brokered private placement (the "Private Placement") of 132,500,000 common shares (each, a "Share") at a price per Share of C$0.40 for gross proceeds of C$53,000,000 (approximately US$40,000,000). The Private Placement will be subscribed for by three of Mitra's existing major shareholders (the "Major Shareholders") as well as a small portion subscribed for by some of the Company's directors and officers.

The proceeds of the Private Placement will be used to:

1. Fund the purchase of the Stag Oilfield by Jadestone Energy (Australia) Pty Ltd, a wholly-owned subsidiary of Mitra,
2. Fund a bank guarantee or letter of credit to be provided to a key contractor to the Stag Oilfield in support of obligations under a long term contract, and
3. Provide the capital for further appraisal and infill drilling in the Stag field, as well as working capital.

For further details regarding the Stag Acquisition and the Stag assets, please refer to the Company's press releases dated July 26, 2016, September 7, 2016 and October 7, 2016.

The Company will no longer be proceeding with its previously announced brokered private placement.

In conjunction with the Private Placement, Mitra has also entered into a US$28 million convertible debt facility (the "Facility") with Tyrus Capital Event S.à r.l. ("Tyrus"). Under the terms of the Facility, Mitra will have the ability to drawdown tranches of US$5 million, subject to Tyrus' approval, and any amounts drawn down will bear interest at the rate of 7.5% per annum payable quarterly in cash. Mitra will be required to pay a structuring fee equal to 2% of the total amount of the Facility in cash and a standby fee equal to 1% per annum on all undrawn amounts to be paid quarterly in cash until maturity. The Facility will mature after three years, at which time Tyrus will have the option to convert the full amount of any principal owing under the Facility into common shares of the Company at a conversion price of C$0.50. Tyrus also has the option to convert any principal owing under the Facility at any time prior to maturity.

The funds drawn down under the Facility will be used to fund future mergers and acquisitions (other than the Stag acquisition) and for capital expenditures for producing assets. Any drawdowns will be subject to satisfying certain conditions at the time of the drawdown.

The Company expects to complete the Private Placement and Stag Acquisition before November 15, 2016.

The completion of the Private Placement and the implementation of the Facility are subject to the approval of the TSX Venture Exchange and the satisfaction of certain other conditions.

Executive Chairman, Paul Blakeley said: "We're delighted with the very strong support provided by our Major Shareholders, which, with the Private Placement and the Facility, raises approximately 35% more capital than the Company's initial target of US$50m. This puts Mitra in a strong financial position to complete the Stag Acquisition and carry out additional infill development drilling on the field. We now have the financial flexibility to accelerate our growth trajectory, taking advantage of the increasing number of acquisition opportunities we see in the region, to deliver additional value to our shareholders, and become a significant oil & gas producer in Asia Pacific."

The financing is a clear endorsement by the Major Shareholders of the strategy led by the new management team and recognizes the deep value of the Company's portfolio. Upon closing of the Stag Acquisition, the Company will have added a cash flowing asset with low risk upside opportunities, a strong balance sheet with US$20 million of cash, and a US$28 million credit facility to fund future acquisitions as well as development capital for growth. The Company also expects to receive a positive cash adjustment in its favour upon closing of the Stag Acquisition, due to the Stag transaction being effective as at 1st July.

Tony Chedraoui, Chief Investment Officer of Tyrus Capital S.A.M., added: "This is a unique time to consolidate producing and free cash flowing assets at deep value from motivated sellers in the Asia Pacific region. In the space of less than four months since joining the Company in June, Paul and his team have secured two compelling transactions and are now closing the first transaction, which demonstrates the team's strong M&A ability and confirms its operating track record and credibility with market participants. In our view the Company is offering a compelling risk-reward for existing and future investors with low risk upside underpinned by new cash and the Stag Acquisition, and a free option to realize the significant NAV of existing development projects. With the pending closing of the Stag Acquisition and this upsized financing, Mitra is uniquely positioned to capture this

opportunity and add further upside through future value-enhancing acquisitions to be sourced by the team and to accelerate its transformation into a regional champion."

As the Major Shareholders, Tyrus and the directors of the Company are considered to be "related parties" of the Company, the issuance of the Shares pursuant to the Private Placement and upon conversion of any amounts drawn down under the Facility will be considered to be "related party transactions" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and (e) and 5.7(c) of MI 61-101.

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 Private Placement is expected to close; 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 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, the Private Placement and the drawdown of the Facility; the Company's ability to successfully integrate the acquired assets to be acquired under the Stag Acquisition; the Company's ability to obtain all required approvals for the Stag Acquisition and the Private Placement and the completion of 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 Private Placement, the Facility and/or the Stag Acquisition and/or to realize the anticipated benefits of the Stag 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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