- Q2 production averages approximately 164,000 boe/d; - June production estimated to be approximately 179,000 boe/d

CALGARY, ALBERTA--(Marketwired - July 5, 2017) - Seven Generations Energy Ltd.'s (TSX:VII) second quarter production averaged approximately 164,000 boe/d, while June's production is estimated to be approximately 179,000 boe/d, based on field estimates. 7G's production growth is on track to meet 2017 production guidance of 180,000 to 190,000 boe/d, which would constitute an increase of more than 50 percent from 2016.

"We ended the first half with record production volumes, demonstrating the underlying strength and long-term potential of our liquids-rich Montney assets. First half performance is consistent with our expectations, and our strong activity levels in the first half will generate even more production growth in the second half of 2017," said Marty Proctor, 7G's President & Chief Executive Officer

Annual production is on track despite an unplanned third-party facility outage for four days in May. This disruption was mitigated by diverting a portion of production to 7G's other facilities.

"We continue to execute our profitable growth plan. We had a very busy first half of 2017, operating an average of 13 rigs and three hydraulic fracturing spreads. We tied-in 23 wells in the second quarter and we are continuing to execute our robust drilling program for the remainder of the year," said Glen Nevokshonoff, 7G's Chief Operating Officer.

Capital investment in the second quarter was about $550 million. In the first half of 2017, capital investment was about $910 million, which is about 60 percent of planned 2017 capital investment of $1.5 billion to $1.6 billion and in line with 7G's 2017 plan.

Operating and transportation expenses in the second quarter are estimated to be about $1.50 per boe higher than during the first quarter of 2017 due to additional water handling costs, road restrictions during spring break up and higher than normal use of temporary equipment for new wells that were awaiting tie-in to permanent 7G facilities. Many of those permanent production facilitie are now coming on-stream, which is reducing temporary equipment use. As permanent well tie-ins are completed in the second half of 2017 and water disposal wells begin operating in early 2018, 7G expects operating costs to trend lower towards historical averages.

Readers are advised that all quarterly figures are preliminary field accruals and are subject to review. Additional second quarter operational information, along with the company's financial performance, is scheduled to be published on August 3, 2017.

Seven Generations Energy

Seven Generations is a low-cost, high-growth Canadian natural gas developer generating long-life value from its liquids-rich Kakwa River Project, located about 100 kilometres south of its operations headquarters in Grande Prairie, Alberta. 7G's corporate headquarters are in Calgary and its shares trade on the TSX under the symbol VII.

Further information on Seven Generations is available on the company's website: www.7genergy.com

Reader Advisory

This news release contains certain forward-looking information and statements 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 and statements pertaining to the following: expected second quarter and June 2017 production results, based upon current field estimates; the expectation that 7G is on track to meet its 2017 production guidance of 180,000 to 190,000 boe/d; the production growth expected in the second half of 2017; planned capital investment in 2017; expectation that permanent well tie-ins will be completed in the second half of 2017 and water disposal wells will be in operation in early 2018; expectation that operating costs will trend towards historical averages once those tie-ins and disposal wells are in operation; and the company's ability to generate long-life value from its Kakwa River Project.

With respect to forward-looking information contained in this news release, assumptions have been made regarding, among other things: future oil, natural gas liquids and natural gas prices; the company's ability to obtain qualified staff and equipment in a timely and cost efficient manner; the company's ability to market production of oil, natural gas liquids and natural gas successfully to customers; the company's future production levels; the applicability of technologies for the company's reserves; future capital investments by the company; future funds from operations from production; future sources of funding for the company's capital program; the company's future debt levels; geological and engineering estimates in respect of the company's reserves and resources; the geography of the areas in which the company is conducting exploration and development activities; the access, economic and physical limitations to which the company may be subject from time to time; the impact of competition on the company; the company's ability to obtain financing on acceptable terms; and that production results for the second quarter and June of 2017 will be consistent with the company's current field estimates.

Actual results could differ materially from those anticipated in this forward-looking information as a result of the risks and risk factors that are described in the company's annual information form dated March 7, 2017 for the year ended December 31, 2016 (the AIF), which is available on SEDAR at www.sedar.com, including, but not limited to: 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; the ability to find, develop or acquire additional reserves and the availability of the capital or financing necessary to do so on satisfactory terms; risks related to the exploration, development and production of oil and natural gas reserves and resources; negative public perception of oil sands development, oil and natural gas development and transportation, hydraulic fracturing and fossil fuels; actions by governmental authorities, including changes in government regulation, royalties and taxation or the enforcement thereof; the rescission, or amendment to the conditions of, groundwater licenses of the company; management of the company's growth; the ability to successfully identify and make attractive acquisitions, joint ventures or investments, or successfully integrate future acquisitions or businesses; 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; the ability to satisfy obligations under the company's firm commitment transportation arrangements; the uncertainties related to the company's identified drilling locations; operating hazards and uninsured risks; the possibility that the company's drilling activities may encounter sour gas; execution of the company's business plan; failure to acquire or develop replacement reserves; the concentration of the company's assets in the Kakwa River Project area; unforeseen title defects; Aboriginal claims; failure to accurately estimate abandonment and reclamation costs; development and exploratory drilling efforts and well operations may not be profitable or achieve the targeted return; dependence on employees and contractors; third-party claims regarding the company's right to use technology and equipment; expiry of certain leases for undeveloped leasehold acreage in the near future; potential conflicts of interests; actual results differing materially from management estimates and assumptions; seasonality of the company's activities and the Canadian oil and gas industry; weather related risks, including drought, fires and natural disasters; extensive competition in the company's industry; changes in the company's credit ratings; dependence upon a limited number of customers; terrorist attacks or armed conflict; cyber-security risks, loss of information and computer systems; security deposits may be required under provincial liability management programs; 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; litigation; sufficiency of internal controls; third-party breach of agreements by counterparties and potential enforceability issues in contracts; impact of expansion into new activities on risk exposure; risks related to the company's senior unsecured notes and other indebtedness, including potential inability to comply with the covenants in the credit agreement related to the company's credit facilities and/or the covenants in the indentures in respect of the senior secured notes.

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.

Definitions and Abbreviations

Seven Generations Energy Ltd. is also referred to as Seven Generations, 7G or the company.

bbl	barrel or barrels
boe	barrels of oil equivalent (1)
boe/d	barrels of oil equivalent per day
Mcf	thousand cubic feet

(1) 7G has adopted the standard of 6 Mcf:1 bbl when converting natural gas to oil equivalent. Condensate and other natural gas liquids are converted to oil equivalent at a ratio of 1 bbl:1 bbl. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 bbl is based roughly on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at 7G's sales point. Given the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1 bbl, utilizing a conversion ratio at 6 Mcf 1 bbl may be misleading as an indication of value.

Contact

Investor Relations
Chris Law, Chief Financial Officer
Brian Newmarch, Director, Capital Markets
403-718-0700
investors@7genergy.com

Media Relations
Alan Boras, Director,
Communications & Stakeholder Relations
403-767-0772
aboras@7genergy.com

Seven Generations Energy Ltd.
Suite 4400, 525 - 8th Avenue SW
Calgary, AB T2P 1G1
www.7genergy.com