

CALGARY, Nov. 15, 2017 /CNW/ - [Surge Energy Inc.](#) ("Surge" or the "Company") (TSX: SGY) is pleased to announce that it has closed its previously announced Convertible Debenture Financing (the "Financing") agreement with a syndicate of Underwriters, led by NBF, pursuant to which the Underwriters purchased \$44.5 million principal amount of Debentures at a price of \$1,000 per Debenture, on a "bought deal" basis. (the "Closing"). The Company granted to the Underwriters an option (the "Over-Allotment Option") to purchase up to an additional 4,500 Debentures at a price of \$1,000 per Debenture, which the Underwriters exercised in full.

The net proceeds from the Financing and exercised Over-Allotment Option were used to pay down a portion of the outstanding indebtedness under the Company's revolving term credit facility.

Following the Closing of the Financing, Surge now has more than \$75 million of excess credit availability under its current revolving credit facility (prior to receiving any lending value attributed to the Acquisition disclosed in the Company's October 26, 2017 press release).

The Debentures offered, and the Common Shares issuable on conversion thereof, have not and will not be registered under the U.S. Securities Act of 1933, as amended (the "Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Act. This press release does not constitute an offer to sell or a solicitation of any offer to buy the common shares in the United States.

#### FORWARD LOOKING STATEMENTS:

This press release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

More particularly, this press release contains statements concerning: the Financing and the excess credit availability under the Corporation's current revolving credit facility.

The forward-looking statements are based on certain key expectations and assumptions made by Surge, including expectations and assumptions concerning the impact of the Financing on Surge's credit facility.

Although Surge believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Surge can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and constraint in the availability of services, adverse weather or break-up conditions, uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures or failure to obtain the continued support of the lenders under Surge's bank line. Certain of these risks are set out in more detail in Surge's Annual Information Form dated March 15, 2017 and in Surge's MD&A for the period ended December 31, 2016, both of which have been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com).

The forward-looking statements contained in this press release are made as of the date hereof and Surge undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither the TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

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