Press Release – November 14, 2017

VALEURA ANNOUNCES THIRD QUARTER 2017 FINANCIAL AND OPERATING RESULTS AND COMMENCEMENT OF THE YAMALIK-1 TESTING PROGRAM

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to report highlights of its unaudited financial and operating results for the three and nine month periods ended September 30, 2017 and an update on subsequent developments, including the commencement of the Yamalik-1 Testing Program and implementation of an orderly CEO succession plan. The complete quarterly reporting package for the Corporation, including the unaudited financial statements and associated management's discussion and analysis ("**MD&A**"), has been filed on SEDAR at www.sedar.com and posted on the Corporation's website at www.valeuraenergy.com.

"We are pleased to report that the completion, multi-stage fracing and flow testing program for the Yamalik-1 well (the "**Yamalik-1 Testing Program**") is now underway", said Jim McFarland, Chief Executive Officer. "The Yamlik-1 well will provide the first substantive evaluation of the potential of a basin-centered gas play in the Thrace Basin. As such, we are at the front-end of what is expected to be a steep learning curve going by industry's experience in developing other unconventional resource plays. We had a good start to the evaluation with positive drilling results in the Yamalik-1 well. The testing program will provide critical information on reservoir properties and flow capability of the deep over-pressured tight gas sands encountered in the well. In parallel a third party resource assessment is underway which will frame for the first time the potential size of the basin-centered gas play in the Thrace Basin", added McFarland.

Q3 2017 RESULTS AND SUBSEQUENT DEVELOPMENTS AT A GLANCE

- **Yamalik-1 Testing Program underway**
- **Net sales 1,024 boe/d**
- **Funds flow from operations $1.2 million**
- **Working capital surplus $5.5 million**
- **Natural gas price realization $6.98/Mcf**
- **Operating netback $22.66/boe**
- **Exploration & development capital expenditures $5.0 million**
- **Sean Guest to succeed Jim McFarland as CEO on his retirement December 31, 2017**

(See below for definitions and advisories)

OPERATIONAL HIGHLIGHTS

- Net petroleum and natural gas sales in Turkey in Q3 2017 averaged 1,024 barrels of oil equivalent per day ("**boe/d**"), which was up 10% from Q2 2017 reflecting additions from new drill wells and workovers, partially offset by natural declines. Net sales were up 51% from Q3 2016 reflecting the acquisition of Thrace Basin Natural Gas (Turkiye) Corporation ("**TBNG**"), which closed on February 24, 2017 (the "**TBNG Acquisition**"), and additions from new drills and workovers, partially offset by natural declines. Net sales in Q3 2017 included 6.1 million cubic feet per day ("**MMcf/d**") of natural gas, representing more than 98% of net petroleum and natural gas sales.
- Current net sales are approximately 1,100 boe/d.

Banarli Deep Exploration Program

- The Yamalik-1 Testing Program commenced in early November 2017 and is expected to extend over a period of approximately 60 days. Yamalik-1 is the first deep exploration well under Phase 1 of the Banarli farm-in agreement with Statoil Banarli Turkey B.V. ("**Statoil**") (the "**Banarli Farm-in**") and was drilled to a depth of 4,196 metres. Interpretation of the extensive drilling and wireline logging data from the Yamalik-1 well provided further positive indicators of the potential for a basin-centered gas play in the Thrace Basin of Turkey.

- The Yamalik-1 Testing Program has been designed to reflect the positive drilling results and extent of net pay identified on wireline logs. As the first deep well to be extensively tested in pursuit of a basin-centered gas play in the Thrace Basin, the program is targeting to systematically assess reservoir properties and flow capability of several high-graded intervals with varying reservoir quality representing, in aggregate, less than half of the net pay measured in the well. The program is expected to include four production tests with two frac stages per test interval (eight stages in total).
- The estimated all-in cost of the Yamalik-1 Testing Program is US$10.3 million, to be funded 100% by Statoil up to a cap of 110% of the budget. This level of cost is reflective of the extensive and detailed information gathering and is not expected to be representative of cost in a development well.
- If the aggregate flow test results are sufficiently positive, it is planned to tie-in Yamalik-1 to Valeura’s existing pipeline and facility infrastructure to enable a long-term production test, while at the same time generating additional natural gas sales.
- Two frac stages in the first flow test interval in the Kesan formation below 4,000 metres are expected to be completed this week. The Corporation plans to report aggregate flow test results at the conclusion of the testing program after all eight planned frac stages have been completed.
- The Karaca 3D seismic program under Phase 2 of the Banarli Farm-in commenced on June 18, 2017 and the acquisition step was completed on September 20, 2017 within the planned timeline and budget. Statoil is required to fully fund US$10 million on 3D seismic acquisition and processing under Phase 2. Approximately 500 square kilometres of 3D seismic has been acquired. This increases Valeura's 3D seismic coverage on its acreage in the Thrace Basin to more than 1,300 square kilometres.
- Processing of the new 3D seismic is underway and should be completed late in Q1 2018. An initial fast-track processing step will provide preliminary data before year-end 2017 to support planning for the 2018 deep drilling program. This drilling program is expected to include the Phase 3 well under the Banarli Farm-in.
- The Karaca 3D seismic will also be used by Valeura to build on its portfolio of shallow gas prospects.
- Valeura has commissioned DeGolyer and MacNaughton ("**D&M**") of Dallas, Texas to provide a resource assessment (the "**D&M Resource Assessment**") under the Canadian Oil and Gas Evaluation Handbook and in accordance with National Instrument 51-101, *Standards of Disclosure For Oil and Gas Activities* for the potential basin-centered gas play underlying Valeura's significant acreage position in the Thrace Basin. The D&M Resource Assessment will be timed to incorporate the results from the Yamalik-1 Testing Program.

TBNG JV and Banarli Shallow Gas Drilling and Workover Program

- Upon assuming operatorship of the TBNG JV, Valeura put a renewed emphasis on well workovers to mitigate natural declines. To date the Corporation has completed 29 workovers on the TBNG JV lands and three on the Banarli licences, including eight workovers in total in Q3 2017.
- Valeura has completed its planned 2017 shallow gas drilling campaign, which included five wells on the TBNG JV lands and one well on the Banarli licences. In summary, three of these wells Dogu Atakoy-3, Dogu Kilavuzlu-2 and Koseilyas-2 were cased and tied-in and are currently producing. Two other wells Sariyer-1 and Aydinkoy-1 were cased but tested insufficient natural gas volumes to justify tie-in. These two wells remain under evaluation. A sixth well Karaevli-6 was unsuccessful and was plugged and abandoned.

FINANCIAL HIGHLIGHTS

- Funds flow from operations of $1.2 million in Q3 2017 was up 21% from Q2 2017 due to higher volumes, lower net general and administrative expenses and lower operating costs, partially offset by lower natural gas price realizations and higher realized foreign exchange losses. Funds flow from operations in Q3 2017 was up 9% from Q3 2016 due to higher volumes and lower transaction costs, partially offset by lower natural gas price realizations, higher operating costs and higher realized foreign exchange losses. (See discussion below regarding non-IFRS measures).
- Exploration and development capital expenditures were $5.0 million in Q3 2017, up 24% and 62% from Q2 2017 and Q3 2016, respectively, due to higher drilling and workover expenditures.
- The net working capital surplus at September 30, 2017 was $5.5 million including cash of $3.0 million (excludes restricted cash of $3.4 million).
- The average natural gas price realization in Turkey of $6.98 per thousand cubic feet ("**Mcf**") in Q3 2017 was down 5% from Q2 2017 due to some weakening in the value of the Turkish Lira, and down 25% from Q3 2016

due to a 10% reduction in the BOTAS Reference Price (in Turkish Lira) effective October 1, 2016 and a decline in the value of the Turkish Lira.

- The average operating netback of $22.66 per boe in Q3 2017 was up marginally from Q2 2017 due to lower unit operating costs and lower unit royalties, partially offset by lower natural gas price realizations, and down 41% from Q3 2016 due to lower natural gas price realizations and higher unit operating costs, partially offset by lower unit royalties. The operating netbacks for 2017 are well below the forecasted average operating netback of $35.00 per boe due to lower natural gas price realizations, which have been negatively impacted by a further devaluation of the Turkish Lira, and higher operating costs. (See discussion below regarding non-IFRS measures).
- Additional financial and operating results are summarized in the Table 1 below.

Table 1 Financial and Operating Results Summary (1)

(thousands of Canadian dollars, except share and share trading amounts, and as otherwise stated)	**Three Months Ended September 30, 2017**	**Three Months Ended June 30, 2017**	**Nine Months Ended September 30, 2017**	**Three Months Ended September 30, 2016**	**Nine Months Ended September 30, 2016**
Financial					
Petroleum and natural gas revenues	3,970	3,764	10,822	3,510	12,647
Funds flow from (used in) operations (1)	1,165	959	(759)	1,066	5,133
Net loss from operations	(4,911)	(526)	(7,438)	(1,263)	(2,897)
Exploration and development capital	4,992	4,011	10,935	3,080	8,999
Acquisitions	-	-	21,450	-	-
Dispositions	-	(3,973)	(26,288)	-	-
Net working capital surplus	5,458	8,618	5,458	3,697	3,697
Cash	2,968	9,903	2,968	2,336	2,336
Common shares outstanding					
Basic	73,148,321	73,148,321	73,148,321	58,519,321	58,519,321
Diluted	79,518,821	79,731,821	79,518,821	63,433,821	63,433,821
Share trading					
High	0.72	0.85	1.00	1.25	1.44
Low	0.49	0.62	0.49	0.80	0.60
Close	0.49	0.70	0.49	0.85	1.24
Operations					
Production					
Crude oil (bbl/d)	11	9	8	10	8
Natural Gas (Mcf/d)	6,077	5,550	5,489	4,020	4,756
boe/d (@ 6:1)	1,024	934	923	680	801
Average reference price					
Brent ($ per bbl)	65.27	66.63	67.66	59.75	55.31
BOTAS Reference ($ per Mcf) (2)	7.10	7.47	7.23	9.67	9.90
Average realized price					
Crude oil ($ per bbl)	65.16	68.39	67.49	56.24	52.15
Natural gas - Turkey ($ per Mcf)	6.98	7.34	7.13	9.35	9.61
Average Operating Netback ($ per boe @ 6:1) (1)	22.66	22.38	24.28	38.69	42.72

Notes:

(1) The above table includes non-IFRS measures, which may not be comparable to other companies. Funds flow from operations is calculated as net income (loss) for the period adjusted for non-cash items in the statement of cash flows. Operating netback is calculated as petroleum and natural gas sales less royalties, production expenses and transportation costs. See MD&A for further discussion.

(2) Boru Hatlari ile Petrol Tasima Anonim Sirketi ("**BOTAS**") owns and operates the national crude oil and natural gas pipeline grids in Turkey and purchases the majority of Turkey's natural gas imports. BOTAS regularly posts prices and its Level-2 wholesale tariff is shown herein as a reference price. See the 2016 Annual Information Form for further discussion.

EXECUTIVE CHANGES

As announced previously, a seamless transition of executive leadership of the Corporation is progressing. Sean Guest, who was hired as Valeura's Chief Operating Officer in May 2017, has assumed the additional role of President and will become President and CEO upon the retirement of Jim McFarland on December 31, 2017. Mr. McFarland will remain as CEO in the interim period and will continue to serve on the board of directors and provide consulting services to the Corporation.

OUTLOOK

The Corporation continues to believe that the deep basin-centered gas play in the Thrace Basin provides the most significant upside potential in its asset portfolio in Turkey. Results from the Yamalik-1 Testing Program will be important in shedding additional light on this potential. The Corporation holds participating interests of 31.5% (West Thrace lands) to 50% (Banarli licences post Statoil earning) in the deep rights in almost 0.2 million gross acres of land that are prospective for a basin-centered gas play. The D&M Resource Assessment will also provide the first measure of this play potential and help frame the upside for shareholders.

Preliminary plans to further delineate the basin-centered gas play in 2018 are being developed. Under the Banarli Farm-in, Statoil must drill, complete and test one additional deep well to earn its 50% interest in the deep rights on the Banarli licences.

The Corporation also believes there is a meaningful shallow gas business in the Thrace Basin and remains focused on developing a viable exploitation plan that incorporates well workovers and re-completions, drilling and selective fracing programs. Valeura operates and holds interests in 0.5 million gross acres of land. Following the closing of the TBNG Acquisition in early 2017, Valeura holds participating interests of 81.5% (TBNG JV lands) to 100% (Banarli licences) in the shallow rights on these lands. The 2018 shallow gas drilling program will be determined once the new Karaca 3D seismic is integrated with the lessons learned from the shallow gas drilling and tight gas fracing programs over the past six years.

The Corporation's outlook for 2017 exit rate net sales remains unchanged from earlier guidance, with a target range of 1,000 to 1,100 boe/d on the basis of a 7% reduction in the 2017 capital program to $12 to $13 million (net). In Q4 2017, the Corporation is planning to carry out re-entry fracs in two wells on the TBNG JV South Thrace lands targeting normally pressured tight gas formations. This frac program builds on the extensive tight gas frac program carried out by the TBNG JV in the 2011 to 2015 period.

The Corporation will remain committed to safe operations and ensuring that operational and administrative functions are conducted in the most cost efficient way, with targeted cost reductions in the 2018 budget.

The Corporation does not expect to provide guidance on its 2018 work program and budget until Q1 2018, pending the results of the Yamalik-1 Testing Program and its impact on further deep drilling under the Banarli Farm-in, the reset of the shallow gas drilling inventory and further discussion with partners.

(See advisories below regarding outlook disclosures)

ABOUT THE CORPORATION

Valeura Energy Inc. is a Canada-based public company currently engaged in the exploration, development and production of petroleum and natural gas in Turkey.

OIL AND GAS ADVISORIES

When used herein, the term "boe" means barrels of oil equivalent on the basis of one boe being equal to one barrel of oil or natural gas liquids, or 6,000 cubic feet of natural gas. Barrel of oil equivalent may be misleading, particularly if used in isolation. A boe conversion ratio of 6.0 Mcf to 1.0 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

ADVISORY AND CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements and information (collectively referred to herein as "**forward-looking information**") including, but not limited to: the design, elements and final cost of the Yamalik-1 Testing Program and the expected timeline; the potential to tie-in and conduct a long term production test and achieve natural sales from the Yamalik-1 well; the final cost and timeline to complete the processing of the Karaca 3D seismic and early fast-track processing step to facilitate planning; the preparation of the D&M Resource Assessment and the timing thereof; the potential for a basin-centered gas play in the Thrace Basin; management’s belief regarding the potential of the Corporation’s deep basin-centered gas play and shallow gas business in the Thrace Basin; the Corporation's 2017 work program, operational plans, expected capital expenditures and target exit sales rate; the determination of the Corporation’s 2018 shallow gas and deep drilling programs; the timing for the preparation of the 2018 work program and budget; and the availability of operating cash flow and the ability to finance development from existing cash and operating cash flow. Forward-looking information typically contains statements with words such as "anticipate", estimate", "expect", "target", "potential", "could", "should", "would" or similar words suggesting future outcomes. The Corporation cautions readers and prospective investors in the Corporation’s securities to not place undue reliance on forward-looking information, as by its nature, it is based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Corporation.

Forward-looking information is based on management's current expectations and assumptions regarding, among other things: political stability of the areas in which the Corporation is operating and completing transactions, and in particular the aftermath of the July 2016 failed coup attempt in Turkey and April 2017 constitutional referendum; continued safety of operations and ability to proceed in a timely manner; continued operations of and approvals forthcoming from the Turkish government in a manner consistent with past conduct; future seismic and drilling activity on the expected timelines; the prospectivity of the TBNG JV lands and Banarli licences, including the deep potential; the continued favourable pricing and operating netbacks in Turkey; future production rates and associated operating netbacks and cash flow; future sources of funding; future economic conditions; future currency exchange rates; the ability to meet drilling deadlines and other requirements under licences and leases; and the Corporation's continued ability to obtain and retain qualified staff and equipment in a timely and cost efficient manner. In addition, the Corporation's work programs and budgets are in part based upon expected agreement among joint venture partners and associated exploration, development and marketing plans and anticipated costs and sales prices, which are subject to change based on, among other things, the actual results of drilling and related activity, availability of drilling, fracing and other specialized oilfield equipment and service providers, changes in partners' plans and unexpected delays and changes in market conditions. Although the Corporation believes the expectations and assumptions reflected in such forward-looking information are reasonable, they may prove to be incorrect.

Forward-looking information involves significant known and unknown risks and uncertainties. Exploration, appraisal, and development of oil and natural gas reserves are speculative activities and involve a significant degree of risk. A number of factors could cause actual results to differ materially from those anticipated by the Corporation including, but not limited to: the risks of currency fluctuations; changes in gas prices and netbacks in Turkey; uncertainty regarding the contemplated timelines for the Yamalik-1 Testing Program and Karaca 3D seismic program; the risks of disruption to operations and access to worksites, threats to security and safety of personnel and potential property damage related to political issues, terrorist attacks, insurgencies or civil unrest in Turkey; political stability in Turkey, including potential changes in Turkey's constitution, political leaders or parties or a resurgence of a coup or other political turmoil; the uncertainty regarding government and other approvals; counterparty risk; potential changes in laws and regulations; risks associated with weather delays and natural disasters; the risk associated with international activity; and, the uncertainty regarding the ability to fulfill the drilling commitment on the West Thrace lands. The forward-looking information included in this news release is expressly qualified in its entirety by this cautionary statement. The forward-looking information included herein is made as of the date hereof and Valeura assumes no obligation to update or revise any forward-looking information to reflect new events or circumstances, except as required by law. See Valeura's 2016 AIF for a detailed discussion of the risk factors.

Additional information relating to Valeura is also available on SEDAR at www.sedar.com

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