

Twin Butte announces extension of credit facilities

CALGARY, June 1, 2016 /CNW/ - (TSX: TBE) – Twin Butte Energy Ltd. ("Twin Butte" or the "Company") announces that its bank syndicate has agreed to extend the maturity date of Twin Butte's \$85 million non-revolving credit facility by one day from June 1, 2016 to June 2, 2016 and the expiry of the revolving period of Twin Butte's \$140 million revolving credit facility by one day from June 1, 2016 to June 2, 2016 to enable the Company to continue with its strategic alternatives process.

As announced on December 9, 2015, Twin Butte has engaged Peters & Co. Limited and National Bank Financial Inc. as its financial advisors to advise the Company in connection with a comprehensive review and analysis of its strategic alternatives process. Strategic alternatives may include, but are not limited to, a debt restructuring, a sale of all or a material portion of the assets of Twin Butte, either in one transaction or in a series of transactions, the outright sale of the Company, or merger or other transaction involving Twin Butte and a third party, and/or alternative financing initiatives. The Company cautions that there are no assurances or guarantees that the process will result in a transaction or, if a transaction is undertaken, the terms or timing of such a transaction.

About Twin Butte:

Twin Butte Energy Ltd. is a value oriented intermediate producer with a deep, low risk, drilling inventory focused on medium and heavy oil reservoirs. The common shares of Twin Butte are listed on the TSX under the symbol "TBE".

Reader Advisory

Forward-Looking Statements

Certain information set forth in this news release contains forward-looking statements including the assessment of future plans regarding the strategic alternatives review process and expectations regarding Twin Butte's ability to continue as a going concern. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Twin Butte's control, including Twin Butte has a limited period of time to address possible restructuring changes to its business failing which the bank credit facilities may be subject to syndicate action, the strategic alternatives review process may not result in a transaction which is satisfactory to the banking syndicate which may lead the syndicate to take action on the credit facilities, the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, delays resulting from or the inability to obtain required regulatory approvals, inability to retain and delays in retaining drilling rigs and other services, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, and ability to access sufficient capital from internal and external sources. The foregoing list is not exhaustive. Additional information on these and other risks that could affect Twin Butte's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The actual results, performance or achievement of Twin Butte could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Twin Butte will derive therefrom. Twin Butte disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

SOURCE Twin Butte Energy Ltd.

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