

Twin Butte Energy Announces Results of Securityholder Meeting

CALGARY, Aug. 29, 2016 /CNW/ - Twin Butte Energy Ltd. (TSX: TBE) ("**Twin Butte**" or the "**Company**") announces that at the annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Shares**") of Twin Butte and holders (the "**Debentureholders**") and together with the Shareholders, the "**Securityholders**") of 6.25% convertible unsecured subordinated debentures of Twin Butte due December 31, 2018 (the "**Debentures**") held today, the Shareholders voted approximately 78% in favor (approximately 76% in favour after excluding votes cast by certain persons whose votes may not be included in determining minority approval of a business combination pursuant to Multilateral Instrument 61-101 – *Protection of Minority Securityholders In Special Transactions*) of a resolution (the "**Arrangement Resolution**") of the Securityholders to approve a proposed plan of arrangement (the "**Arrangement**") whereby Reignwood Resources Holding Pte. Ltd. (the "**Purchaser**") would indirectly acquire all of the outstanding Shares and all of the outstanding Debentures. However, the Arrangement Resolution also required the approval of not less than 66 2/3% of the principal amount of Debentureholders present in person or represented by proxy at the Meeting and voted upon the Arrangement Resolution. Debentureholders voted approximately 32% in favor of the Arrangement Resolution at the Meeting, and as such, the Arrangement was not approved at the Meeting.

As the Arrangement Resolution did not receive the requisite approval of the Debentureholders at the Meeting, the arrangement agreement previously entered between Twin Butte and the Purchaser with respect to the Arrangement may be terminated by either Twin Butte or Purchaser. In such event, no break fee will be payable by either Twin Butte or the Purchaser as a result of such termination.

The failure of the Debentureholders to approve the Arrangement Resolution at the Meeting terminates the forbearance period provided by Twin Butte's senior lenders under Twin Butte's forbearance agreement with its syndicate of senior secured lenders. As a result, such lenders are now entitled to exercise any rights or remedies they have, including accelerating the repayment of the Company's outstanding bank debt and enforcing their security by appointing a receiver to liquidate the Company's assets and manage the Company's affairs. Twin Butte intends to engage in proactive discussions with its lenders in this regard.

Twin Butte will not be proceeding with its scheduled application for a final order of the Court of Queen's Bench of Alberta to approve the Arrangement on September 2, 2016.

At the Meeting, Shareholders also approved, among other annual matters, the election of seven nominees of Twin Butte as directors of Twin Butte, with Shares represented at the Meeting voting by way of ballot in favour and withheld from voting for each of the individual nominees as follows:

Nominee	Votes For	% For	Votes Withheld	% Withheld
R. James Brown	85,283,450	78.46	23,408,442	21.54
John A. Brussa	84,515,166	77.76	24,176,726	22.24
David M. Fitzpatrick	85,289,464	78.47	23,402,428	21.53
Thomas J. Greschner	85,113,070	78.31	23,578,822	21.69
James Saunders	84,896,568	78.11	23,795,324	21.89
Warren D. Steckley	85,288,706	78.47	23,403,186	21.53
William A. Trickett	85,448,228	78.62	23,243,664	21.38

All other resolutions presented at the Meeting with respect to annual business for the Shareholders were approved by Shareholders at the Meeting. Detailed voting results for all resolutions will be posted under Twin Butte's SEDAR profile at www.sedar.com.

SOURCE Twin Butte Energy Ltd.

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For further information: Twin Butte Energy Ltd.: Rob Wollmann, President and Chief Executive Officer; R. Alan Steele, Vice President Finance, Chief Financial Officer and Corporate Secretary; Jim Saunders, Executive Chairman; Tel: (403) 215-2045, Website: www.twinbutteenergy.com

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