

Source: Pulse Seismic Inc.

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PULSE SEISMIC ANNOUNCES ACQUISITION OF A 2D SEISMIC DATA LIBRARY

CALGARY, January 26, 2016/CNW - Pulse Seismic Inc. ("Pulse" or "the Company") is pleased to announce the acquisition of a 2D seismic data library at an attractive valuation.

The acquisition closed on January 26, 2016 adding approximately 107,000 net kilometres of 2D seismic data and 58 net square kilometres of 3D seismic data, increasing Pulse's 2D seismic data library by over 30 percent from approximately 340,000 net kilometres to approximately 447,000 net kilometres. The acquisition includes data spread throughout the Western Canada Sedimentary Basin and is complementary to Pulse's existing data.

The purchase price of \$3.65 million has been funded through the issuance of 669,643 Pulse common shares valued at approximately \$2.24 per share, based on the 10 day volume weighted average price of the shares on the Toronto Stock Exchange following close of trading on January 21, 2016, plus \$2.15 million in cash. The cash portion was provided from Pulse's cash flow and will not require incurring debt. Following the acquisition, Pulse remains debt-free and has access to a three year, \$30 million revolving credit facility with a banking syndicate led by TD Bank and including ATB Financial.

"The acquisition advances Pulse's strategy of growth through the addition of high-quality seismic data at valuations that meet our criteria," commented Neal Coleman, Pulse's President and CEO. "We are pleased that Pulse's financial discipline and strong balance sheet enables the Company to conduct acquisitions in the current economic climate."

The data was originally shot in the 1970s through 1990s and fits the oil and natural gas industry's continuing need for 2D data for exploratory purposes. In 2015, \$6.1 million or 29 percent of Pulse's \$21.1 million in data library sales revenue came from the licensing of 2D data.

This acquisition was completed in order to improve Pulse's competitive position for the long term. As industry capital spending and field activities go up and down along with business conditions and opportunities, Pulse will continue to focus on generating as much data library sales, cash EBITDA and shareholder free cash flow per share as conditions allow, while seeking opportunities to grow.

"The Company's proven approach to capital allocation – investment in capital programs (participation surveys and dataset acquisitions that meet key criteria), purchase of Pulse shares and prudent management of the revolving credit facility – will continue to guide Pulse's business throughout 2016," added Coleman.

CORPORATE PROFILE

Pulse is a market leader in the acquisition, marketing and licensing of 3D and 2D seismic data for the western Canadian energy sector. Pulse owns the second-largest licensable seismic data library in Canada, currently consisting of approximately 28,600 net square kilometres of 3D seismic and 447,000 net kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin where most of Canada's oil and natural gas exploration and development occur.

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