

WALDRON ENERGY CORPORATION ANNOUNCES 2014 YEAR END RESULTS, 2014 YEAR END RESERVES AND OPERATIONS UPDATE

March 27, 2015 – Calgary, Alberta – Waldron Energy Corporation (“Waldron” or the “Corporation”) is pleased to announce its financial and operational results for the year and three months ended December 31, 2014. The Corporation’s audited year-end financial statements and Annual Information Form (“AIF”) including a statement on reserves data and other information specified in NI 51-101 are available for review at www.sedar.com and on the Corporation’s website at www.waldronenergy.ca.

Q4 2014 Highlights

- Fourth quarter 2014 production averaged 1,317 boe per day. This reflects a reduction of approximately 250 boe per day resulting from the temporary shut-in of the Corporation’s Strachan production and third party volume allocation adjustments related to prior periods. Absent such matters, normalized fourth quarter 2014 production would have been approximately 1,567 boe per day;
- Realized natural gas pricing of \$3.87 per mcf, NGL pricing of \$26.63 per bbl and light oil pricing of \$71.75 per bbl resulted in an average realized price of \$30.07 per boe; and
- Fourth quarter 2014 funds from operations of \$0.2 million were negatively impacted by the temporary shut-in of its Strachan production as well as third party volume allocation adjustments related to prior years. Combined, these items resulted in a reduction to fourth quarter 2014 reported revenue of approximately \$0.9 million. Partially offsetting the reduction in revenue was a Crown royalty recovery of \$0.3 million.

2014 Operational Highlights

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Operating				
Production				
Natural Gas (mcf/d)	5,786	7,347	6,605	8,364
NGL (bbls/d)	180	305	239	355
Light crude oil (bbls/d)	173	154	158	154
BOE/day	1,317	1,684	1,498	1,903
Realized Pricing				
Natural Gas (\$/Mcf)	\$ 3.87	\$ 3.72	\$ 4.84	\$ 3.40
Natural gas liquids (\$/bbl)	26.63	54.49	55.55	50.70
Light crude oil (\$/bbl)	71.75	79.83	89.75	86.14
Average realized price (\$/boe)	30.07	33.38	39.66	31.39
Netback per boe				
Sales price	\$ 30.07	\$ 33.38	\$ 39.66	\$ 31.39
Realized gain (loss) on commodity contracts	2.62	(0.59)	(1.53)	(0.12)
Royalties	(0.54)	(3.59)	(4.83)	(3.61)
Operating expenses	(17.67)	(11.60)	(16.10)	(11.96)
Transportation expenses	(2.57)	(2.10)	(2.35)	(1.79)
Operating netback per boe	\$ 11.91	\$ 15.50	\$ 14.67	\$ 13.91
Operating netback (\$000’s)	\$ 1,443	\$ 2,401	\$ 8,019	\$ 9,664



2014 Financial Highlights

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Financial (000's except for per share amounts)				
Operating netback ⁽¹⁾	\$ 1,443	\$ 2,401	\$ 8,019	\$ 9,664
Per share basic & diluted ⁽¹⁾⁽³⁾	0.02	0.06	0.13	0.24
Petroleum and natural gas sales	3,644	5,172	21,581	21,805
Funds from operations ⁽²⁾	233	1,169	3,706	5,322
Per share basic & diluted ⁽²⁾⁽³⁾	0.00	0.03	0.06	0.13
Net loss	(27,526)	(2,425)	(29,859)	(8,690)
Per share basic & diluted ⁽³⁾	(0.44)	(0.06)	(0.50)	(0.21)
Capital expenditures, net of dispositions	1,795	2,514	10,567	3,779
Net proceeds from the issuance of equity	-	6,427	2,778	6,427
Proceeds on sale of gross overriding royalty	-	-	7,000	-
Net debt ⁽⁴⁾			26,500	29,104
Property and equipment			53,444	75,528
Exploration and evaluation assets			4,872	9,538
Shareholders' equity			19,295	46,249
Number of common shares outstanding at year end			62,727	40,035

Notes:

- (1) Operating netback is a non-GAAP measure and the Corporation calculates this measure as revenue, net of any realized gains or losses on commodity price contracts, less royalties and operating and transportation expenses.
- (2) Funds from operations is a non-GAAP measure and the Corporation calculates this measure as cash provided from operations before changes in non-cash working capital, transaction and other costs and decommissioning expenses.
- (3) At December 31, 2014 there were 3,276,167 (December 31, 2013 – 1,983,667) options outstanding that were not included in the calculation of weighted average shares outstanding as the effect would be anti-dilutive.
- (4) Net debt is a non-GAAP measure and the Corporation calculates this measure as current assets less current liabilities, excluding commodity price contracts.

Operations Update

The Corporation is also pleased to announce that certain of its Strachan area production has been put back on-line as of February 11, 2015. Production of its Strachan area assets has averaged approximately 350 boe per day of sales volumes since coming on-line, notwithstanding the fact that only certain of the Corporation's wells in the area are now flowing. On February 5, 2015, the Corporation had announced that its Strachan production of approximately 300 – 350 boe per day had been temporarily shut-in by the operator of the third-party natural gas processing plant in the area as a result of the plant operating at capacity as well as certain recent operational issues at the plant. The Corporation continues to work with the operator of the plant to bring all of Waldron's volumes back on production and Waldron has made commitments for firm service effective May 1, 2015. In the interim, the Corporation's production volumes will continue to be produced on an interruptible basis and the Corporation anticipates its firm service contract with the pipeline operator may continue to provide an advantage in flowing volumes through the plant during the interruptible service period.

Q1 2015 production is estimated to be 1,300 – 1,400 boe per day, which was impacted by the temporary shut-in of its Strachan volumes. Current production is estimated to be 1,400 – 1,450 boe per day.

Disposition Process

As previously announced on December 2, 2014, the Corporation has engaged Cormark Securities Inc. ("Cormark") as financial advisor in order to pursue the sale of a material portion of the assets of the Corporation, either in one transaction or in a combination of transactions; a merger or other business



combination; the outright sale of the Corporation; or some combination thereof (the “Disposition Process”). The Disposition Process is ongoing and the Corporation expects to provide an announcement upon the conclusion of the Disposition Process.

Credit Facility Update

During the first quarter 2014, the Corporation completed a \$6 million secured subordinated debenture financing that carries an interest rate of 9.5% per annum. The debenture had a maturity date of February 28, 2015 which, subsequent to December 31, 2014, was extended to March 31, 2015. In conjunction with the closing of the subordinated debenture financing and then subsequently in conjunction with the sale of the Gross Overriding Royalty, and in accordance with the terms of the subordinated debenture, the Corporation’s senior lender had revised its borrowing base to \$20.6 million, resulting in combined credit facilities of the Corporation of \$26.6 million as at December 31, 2014. During the fourth quarter 2014, the Corporation’s senior lender completed a borrowing base review and the availability of the senior lender credit facility was reduced to \$19.3M subsequent to December 31, 2014, resulting in combined credit facilities of the Corporation of \$25.3 million. The next review is expected to occur on or before April 1, 2014. The Corporation continues to work with its lenders to demonstrate a justifiable lending base and renegotiate lending terms, if required. The Corporation also expects that the outcome of the Disposition Process may assist in its discussion with its lenders.

Sale of Gross Overriding Royalty

On June 18, 2014, Waldron closed the sale of a 3% gross overriding royalty on its existing land base for proceeds of \$7 million. The royalty transaction also includes an incremental 7% gross overriding royalty on two Ferrybank Falher wells that had yet to be drilled at the time of closing and includes a provision that \$750,000 is to be returned to the royalty owner for each of two horizontal Ferrybank Falher wells not drilled. The first of the two qualifying wells was drilled during the third quarter 2014. The second of the two wells is required to be drilled by mid-April 2015 in order to avoid the repayment of \$750,000. The Corporation is currently negotiating with the royalty owner regarding the second well commitment.

The Corporation also has an option to purchase the GORR back for 15 months from the closing date at a price of 30% above the original proceeds on the royalty sale less any royalties paid under the GORR agreement and less two thirds of any amounts returned as a result of any failure to drill the Ferrybank wells.

Private Placements

On January 15, 2014, Waldron closed a private placement for 2,222,223 common shares of Waldron at \$0.45 per share for gross proceeds of \$1.0 million.

On July 30, 2014, Waldron closed a private placement for 5,459,545 common shares of Waldron issued on a flow-through basis at \$0.33 per share for gross proceeds of \$1.8 million.



2014 Reserves Summary

Waldron is pleased to provide the following summary results from its annual independent reserve evaluation completed by GLJ Petroleum Consultants ("GLJ") for all of the Corporation's properties effective December 31, 2014 (the "GLJ Report"). These estimates were prepared in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101") and the full reserves information is included in the Corporation's AIF, which will be available under the Corporation's profile on SEDAR at www.sedar.com.

The following tables summarize the Corporation's gross and net interests in proved and probable reserves at December 31, 2014 as assessed in the GLJ Report prepared in accordance with NI 51-101 using the GLJ January 1, 2015 forecast prices and cost assumptions.

RESERVES CATEGORY	RESERVES SUMMARY ⁽¹⁾					
	OIL & NGLS		NATURAL GAS ⁽²⁾		TOTAL OIL EQUIVALENT ⁽³⁾	
	Gross (Mbbl)	Net (Mbbl)	Gross (Mmcf)	Net (Mmcf)	Gross (Mboe)	Net (Mboe)
Proved						
Producing	1,023	756	12,790	10,944	3,155	2,580
Developed Non-Producing	84	68	1,236	1,040	290	241
Undeveloped	318	256	2,438	2,164	724	617
TOTAL PROVED	1,425	1,080	16,464	14,148	4,169	3,438
PROBABLE	1,523	1,158	17,958	15,451	4,515	3,734
TOTAL PROVED PLUS PROBABLE	2,948	2,238	34,422	29,599	8,684	7,172

Notes:

- (1) Numbers in this table are subject to rounding.
- (2) Natural gas volumes include solution gas volumes associated with the Corporation's light and medium crude oil reserves.
- (3) Natural gas is converted to barrels of oil equivalent ("boe") at a ratio of six thousand standard cubic feet to one barrel of oil.

Net Present Values of Future Net Revenue

The following table summarizes Waldron's share of the net present value of future net revenue attributable to its reserves before taxes but prior to the provision for interest and general and administrative expenses:

RESERVES CATEGORY	NET PRESENT VALUES OF FUTURE NET REVENUE ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾			
	BEFORE INCOME TAXES DISCOUNTED AT (%/year)			
	0% (M\$)	5% (M\$)	10% (M\$)	15% (M\$)
Proved				
Producing	46,537	33,812	26,741	22,223
Developed Non-Producing	2,241	1,796	1,453	1,185
Undeveloped	7,437	4,558	2,891	1,860
TOTAL PROVED	56,215	40,166	31,086	25,267
PROBABLE	58,504	30,773	17,413	10,027
TOTAL PROVED PLUS PROBABLE	114,719	70,938	48,498	35,294

Notes:

- (1) Gross reserves are the Corporation's total interest share before the deduction of royalties and without including any royalty interest of the Corporation.
- (2) Utilizes GLJ escalated price forecasts as of January 1, 2015.
- (3) Natural gas volumes include solution gas volumes associated with the Corporation's light and medium crude oil reserves.
- (4) Natural gas is converted to barrels of oil equivalent ("boe") at a ratio of six thousand standard cubic feet to one barrel of oil.
- (5) Numbers in this table are subject to rounding.
- (6) Estimates of future net revenue disclosed herein may not represent fair market value.



Investor Information

Waldron is a Calgary, Alberta based corporation engaged in the exploration, development and production of petroleum and natural gas. The Corporation's common shares are currently listed on the Toronto Stock Exchange under the trading symbol "WDN." Additional information regarding Waldron is available under the Corporation's profile at www.sedar.com or at the Corporation's website, www.waldronenergy.ca.

For further information please contact:

Ernie Sapieha

President & CEO

esapieha@waldronenergy.ca

Jeff Kearl

VP Finance & CFO

jkearl@waldronenergy.ca

Murray Stodalka

Chief Operating Officer

mstodalka@waldronenergy.ca

Forward Looking and Cautionary Statements

This news release contains forward-looking statements relating to the Corporation's plans and other aspects of the Corporation's anticipated future operations, strategies, financial and operating results and business opportunities. These forward-looking statements may include opinions, assumptions, estimates, management's assessment of value, reserves, future plans and operations.

Forward-looking statements typically use words such as "will," "anticipate," "believe," "estimate," "expect," "intend," "may," "project," "should," "plan," and similar expressions suggesting future outcomes, and include statements that actions, events or conditions "may," "would," "could," or "will" be taken or occur in the future. Specifically, this press release contains forward-looking statements relating to the Disposition process, results and timing of operations; anticipated cash flow and debt reduction; whether or not recent industry results are favorable; whether or not additional reserves are recognized; whether or not the Corporation achieves guidance; the character and nature of the Corporation's asset base; whether or not the asset base is prospective and number of horizontal drilling locations and opportunities and number of follow-up opportunities. The forward-looking statements are based on various assumptions including expectations regarding the ability of the Corporation to access credit and capital and its ability to continue as a going concern; the success of current or future drill wells; the outlook for petroleum and natural gas prices; estimated amounts and timing of capital expenditures; estimates of future production; assumptions concerning the timing of regulatory approvals; the state of the economy and the exploration and production business; results of operations; business prospects and opportunities; future exchange and interest rates; assumptions with regards to hedging activities; and the Corporation's ability to obtain equipment in a timely manner to carry out development activities. While the Corporation considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking statements are subject to a wide range of assumptions, known and unknown risks and uncertainties and other factors that contribute to the possibility that the predicted outcome will not occur, including, without limitation: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; loss of markets; volatility of commodities prices; currency fluctuations; imprecision of reserves estimates; environmental risks; competition from other producers; inability to retain drilling rigs and other services; general economic conditions; delays resulting from or inability to obtain required regulatory approvals; and ability to access sufficient capital from internal and external sources. Readers are cautioned that the foregoing list of factors is not exhaustive.

Although Waldron believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements and you should not rely unduly on forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by applicable law, Waldron does not undertake any obligation to publicly update or revise any forward-looking statements.

Note Regarding Non-GAAP Measures

Funds from operations, operating netback and net debt are not recognized measures under IFRS as issued by the International Accounting Standards Board ("IASB"). Management believes that in addition to cash flow from operations and net earnings, funds from operations and operating netback are useful supplemental measures as they demonstrate the Corporation's ability to generate the cash necessary to fund future growth through capital investment or repay debt if incurred in future periods. The Company uses net debt (credit facilities plus negative working capital or less positive working capital, both excluding credit facilities) as an alternative measure of outstanding debt and is used as a measure to assess the Company's financial position. Investors are cautioned, however, that these measures should not be construed as an alternative to cash flow from operating activities or net earnings determined in accordance with IFRS as an indication of the Corporation's performance or financial position. The Corporation's method of calculating these measures may differ from other entities and, accordingly, they may not be comparable to measures used by other entities. For these purposes, the Corporation defines funds from operations as cash flow from operations before changes in non-cash operating working capital, transaction and other costs and decommissioning expenditures and defines operating netback as revenue, net of any realized gains or losses on commodity price contracts, less royalties, operating and transportation expenses. Net debt is defined as current assets less current liabilities.

Note Regarding BOEs

The term barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. A conversion ratio for gas of 6 mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

