

WALDRON ENERGY CORPORATION ANNOUNCES FIRST QUARTER 2015 RESULTS

May 14, 2015 – Calgary, Alberta – Waldron Energy Corporation (“Waldron” or the “Corporation”) is pleased to announce its financial and operational results for the three months ended March 31, 2015. A complete copy of Waldron’s unaudited financial statements as at and for the three months ended March 31, 2015 and related Management’s Discussion and Analysis (“MD&A”) is available for review at www.sedar.com and on the Corporation’s website at www.waldronenergy.ca.

Q1 2015 Operational Highlights

	Three months ended March 31,	
	2015	2014
Average Production		
Natural Gas (mcf/d)	5,397	7,544
NGL (bbls/d)	183	287
Light crude oil (bbls/d)	167	143
BOE/day	1,250	1,687
Realized Pricing		
Natural Gas (\$/Mcf)	\$ 3.02	\$ 6.04
Natural gas liquids (\$/bbl)	23.80	74.25
Light crude oil (\$/bbl)	49.04	95.57
Average realized price (\$/boe)	\$ 23.10	\$ 47.76
Netback per boe		
Sales price	\$ 23.10	\$ 47.76
Realized loss on commodity price contracts	-	(3.80)
Royalties	(2.95)	(4.77)
Operating expenses	(15.54)	(14.71)
Transportation expenses	(2.04)	(2.13)
Operating netback	\$ 2.57	\$ 22.35

For the three months ended March 31, 2015, the Corporation’s production was negatively impacted by the temporary shut-in of its Strachan property, which reduced reported first quarter 2015 production by approximately 165 boe per day. Subsequent to March 31, 2015, the Corporation sold its Ricinus and Strachan properties for gross proceeds of \$12.3 million, as discussed below. The Corporation estimates production from its remaining properties of Ferrybank, Crystal and Sullivan Lake to be approximately 800 – 850 boe per day. Operating netback per boe for the three months ended March 31, 2015 decreased by 89% compared to the same period in 2014 as a result of a significant reduction in realized commodity prices.



Q1 2015 Financial Highlights

	Three months ended March 31,	
	2015	2014
Financial (000's except for per share amounts)		
Operating netback ⁽¹⁾	\$ 289	\$ 3,393
Per share basic & diluted ⁽¹⁾⁽³⁾	0.00	0.06
Petroleum and natural gas sales	2,598	7,252
Funds from (used in) operations ⁽²⁾	(752)	2,235
Per share basic & diluted ⁽²⁾⁽³⁾	(0.01)	0.04
Net loss	(11,430)	(1,341)
Per share basic & diluted ⁽³⁾	(0.18)	(0.02)
Capital expenditures	150	4,720
Net debt ⁽⁴⁾	15,101	34,690
Property and equipment	32,808	78,049
Exploration and evaluation assets	1,139	9,508
Shareholders' equity	7,877	46,025
Number of shares outstanding at period end	62,727	57,267

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 (used in) operations is a non-GAAP measure and the Corporation calculates this measure as cash provided from operations before changes in non-cash working capital, decommissioning expenses and transaction and other costs
- (3) At March 31, 2015 stock options outstanding 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.

Asset Disposition

As previously announced on December 2, 2014, the Corporation has engaged Cormark Securities Inc. as its exclusive 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"). As the first step in the Disposition Process, the Corporation sold its Strachan and Ricinus properties for gross proceeds of \$12.3 million on May 5, 2015 (the "Ricinus Strachan Sale"). The Corporation is encouraged by the significant reduction in total indebtedness which resulted from the sale as it continues with the Disposition Process.

Credit Facility Update

In accordance with the terms of the Interlender and Subordination Agreement with the Corporation's secured subordinated lender, the Corporation's senior lender adjusted its credit facility limit to \$7.8 million in conjunction with the closing of the Ricinus Strachan Sale. Combined with the \$6 million senior subordinated debenture, the Corporation now has total credit facilities of \$13.8 million. Net debt at March 31, 2015 of \$15.1 million is net of the \$12.3 million in proceeds received as part of the Ricinus Strachan Sale as the carrying value of the sold properties is included in the Statement of Financial Position as at March 31, 2015 as an asset held for sale of \$13.9 million, partially offset by a liability held for sale of \$1.6 million. Additionally, the holder of the Corporation's secured subordinated debenture has extended the maturity date of that debenture to June 30, 2015 in conjunction with closing of the Ricinus Strachan Sale.



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 results and timing of operations; 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 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; the Corporation's ability to obtain equipment in a timely manner to carry out development activities; and the ability of the Corporation to access capital and credit. 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 credit and 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 (used in) 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 (used in) 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 (used in) 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, excluding commodity price contracts.

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.

