



ALTURA ENERGY INC. ANNOUNCES ITS FOURTH QUARTER 2015 AND 2015 YEAR END RESULTS

MARCH 31, 2016

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Calgary, Alberta - Altura Energy Inc. ("Altura" or the "Corporation") (TSX Venture: ATU) is pleased to announce its financial and operating results for the three months and year ended December 31, 2015. The associated management's discussion and analysis ("MD&A") and audited consolidated financial statements as at and for the year ended December 31, 2015 can be found at www.sedar.com and www.alturaenergy.ca.

OPERATIONAL AND FINANCIAL SUMMARY

	Three months ended December 31,			Year ended December 31,		
	2015	2014	% Change	2015	2014	% Change
OPERATING						
Average daily production						
Crude oil (bbls/d)	320	448	(29)	308	212	45
Natural gas (mcf/d)	374	259	44	287	234	23
NGLs (bbls/d)	6	4	50	6	4	50
Total (boe/d)	389	495	(21)	361	255	42
Average realized prices						
Crude oil (\$/bbl)	39.46	68.05	(42)	46.33	75.81	(39)
Natural gas (\$/mcf)	2.59	3.83	(32)	2.84	4.76	(40)
NGLs (\$/bbl)	41.13	56.79	(28)	38.13	71.60	(47)
Total (\$/boe)	35.66	64.01	(44)	42.32	68.54	(38)
NETBACK AND COST (\$/boe)						
Petroleum and natural gas sales	35.66	64.01	(44)	42.32	68.54	(38)
Royalties	(1.37)	(3.82)	(64)	(1.84)	(5.25)	(65)
Operating and transportation	(12.73)	(11.92)	7	(13.80)	(14.76)	7
Operating netback ⁽¹⁾	21.56	48.27	(55)	26.68	48.53	(45)
General and administrative	(10.61)	(5.73)	85	(10.55)	(7.52)	40
Interest and financing expense	(0.21)	(0.69)	(70)	(0.24)	(0.38)	(37)
Interest income	0.87	0.04	>500	0.41	0.22	86
Corporate netback ⁽¹⁾	11.61	41.89	(72)	16.30	40.85	(60)
FINANCIAL (\$)						
Petroleum and natural gas sales	1,275,007	2,916,912	(56)	5,582,861	6,388,940	(13)
Funds from operations ⁽¹⁾	414,829	1,908,647	(78)	2,151,755	3,808,575	(44)
Per share – basic and diluted ⁽¹⁾	-	0.06	(100)	0.03	0.11	(73)
Cash flow (used in) / from operating activities	262,437	2,633,914	(90)	1,205,022	3,544,580	(66)
Per share – basic and diluted	-	0.08	(100)	0.02	0.10	(80)
Income (loss)	(418,198)	1,101,725	(138)	(3,810,021)	3,576,393	(207)
Per share – basic and diluted	-	0.03	(100)	(0.06)	0.10	(160)
Capital expenditures, net of divestitures	1,665,880	776,165	115	3,182,748	5,887,910	(46)
(Net debt) / working capital surplus ⁽¹⁾	22,128,840	(400,489)	(>500)	22,128,840	(400,489)	(>500)
Common shares outstanding ⁽²⁾						
End of period – basic	108,920,973	35,327,599	208	108,920,973	35,327,599	208
Weighted average for the period – basic and diluted	108,821,185	34,399,610	216	65,619,077	34,345,750	91

(1) Funds from operations, funds from operations per share, corporate netback, operating netback, and net debt do not have standardized meanings prescribed by generally accepted accounting principles and therefore should not be considered in isolation. These reported amounts and their underlying calculations are not necessarily comparable or calculated in an identical manner to a similarly titled measure of other companies where similar terminology is used. Where these measures are used they should be given careful consideration by the reader. Refer to the Non-GAAP Measures paragraph in the Advisories section of the MD&A.

(2) A share consolidation was effected on October 16, 2015. The number of shares, warrants and options outstanding have been adjusted for the consolidation on a retroactive basis.

FOURTH QUARTER AND YEAR END 2015 HIGHLIGHTS

- Production volumes for 2015 averaged 361 boe per day, a 42 percent increase from 2014, and 389 boe per day in the fourth quarter, a 19 percent increase from the third quarter of 2015.
- Operating and transportation costs were \$12.73 per boe in the fourth quarter and \$13.80 per boe in 2015. This represents a 16 percent reduction from the third quarter of 2015 and a 7 percent reduction from 2014.
- Operating netback was \$21.56 per boe in the fourth quarter and \$26.68 per boe in 2015. This represents a 10 percent reduction from the third quarter of 2015 and a 45 percent reduction from 2014 as a result of the 13 percent and 38 percent decline in average realized sales prices in the respective periods.
- Drilled, completed and equipped a horizontal well in the Sparky Formation of the Upper Mannville in the fourth quarter for approximately \$1.1 million, which was brought on-stream in mid-November. The well produced an average of 149 boe per day (97 percent crude oil and NGLs) over the first 90 days of production.
- In the fourth quarter the Corporation acquired approximately 16 sections of land through a lease issuance and drilling commitment agreement and Crown land sales in pursuit of an organic growth concept where the application of horizontal drilling and multi-stage fracturing has not been fully exploited.
- Closed the reorganization and investment agreement in 2015, which provided for a non-brokered private placement raising \$25.0 million, including a rights offering, and the appointment of a new management team and board of directors.
- Ended the year with \$22.1 million of working capital and no debt.

RESERVES

On July 31, 2015 Northern Spirit Resources Inc. ("NSRI") closed a definitive reorganization and investment agreement allowing for, among other things, the appointment of a new management team and board of directors and the name change of NSRI to Altura.

As part of this fresh start, McDaniel & Associates Consultants Ltd was newly appointed as the Corporation's independent reserve evaluator. The following table, pursuant to the Corporation's reserves report dated March 2, 2016, highlights the changes in the reserves from 2014. These changes are attributed to the decline in commodity prices and re-interpretation of the development potential of the assets. Additional information may be found in the Corporation's press release dated March 14, 2016.

	December 31, 2015	December 31, 2014	Change
Proved Developed Producing (mboe)	433.9	580.6	(25%)
Total Proved (mboe)	724.9	2,063.8	(65%)
Total Proved & Probable (mboe)	1,362.4	4,191.8	(67%)

OPERATIONAL UPDATE

Altura's activities during the first quarter of 2016 have been focused on maintaining production and reducing operating costs, which includes negotiations with our key service providers. Production levels through to February 29th averaged 433 boe per day (84 percent crude oil and NGLs) based on field estimates. Accounting for current well declines, 15 boe per day of shut-in uneconomic production and a pump change on a Sparky horizontal well in the Klein North Area, our first quarter of 2016 production is forecasted to be 400 – 425 boe per day.

2016 CAPITAL BUDGET

Altura's original budget announced November 23, 2015, provided for a 2016 capital budget ranging between \$5.0 and \$11.0 million. With the improvement in the crude oil forward strip from the lows seen in early 2016, the Corporation is planning a 2016 capital development budget totaling \$11.0 million to be funded with cash flow from operating activities and working capital. The budget includes drilling up to seven gross (6.4 net) horizontal wells targeting the Upper Mannville Formation.

The capital budget is weighted to the second half of 2016 and drilling is expected to commence after break-up to take advantage of lower costs associated with drilling during the summer months. The drilling program includes three (3.0 net) wells in the Klein North area, two (1.4 net) wells in the Wildmere area and two (2.0 net) wells to evaluate a new

area for total drilling, completion, equipping and tie-in ("DCET") capital of \$8.7 million. In addition, up to \$1.5 million will be allocated to acquiring undeveloped land and seismic, and \$0.8 million will be allocated to infrastructure costs related to the initiation of a waterflood in the Klein North area as well as other corporate costs.

Based on the \$8.7 million DCET capital, the proposed seven well drilling program is forecasted to add approximately 535 boe per day in December 2016 which delivers a risked capital efficiency of approximately \$16,000/boe per day. The incremental production will more than offset forecast base declines and will grow overall production to exit 2016 at a forecasted rate of 770 boe per day.

Management intends to continuously monitor commodity prices and control capital expenditures throughout the year and may at any time adjust the 2016 capital program if oil prices deteriorate or strengthen. This will ensure that Altura maintains a strong balance sheet and that returns on invested capital exceed the Corporation's hurdle rate.

OUTLOOK

Altura is currently pursuing conventional crude oil plays in the Western Canadian Sedimentary Basin with an initial focus in central Alberta targeting the shallow, multi-zone, oil-weighted section of the Upper Mannville. This area is expected to generate strong cash netbacks with competitive drilling and completion costs for these shallow targets, thereby delivering attractive economics in the context of the current commodity price environment. To diversify and strengthen the long-term profitability of the Corporation, Altura is also evaluating an entry point into another oil-prone region that also demonstrates these attributes.

Looking ahead to 2016, with a cash position of approximately \$22.1 million and no debt at the end of the fourth quarter of 2015, the Corporation is well-positioned to:

- Grow corporate production and evaluate recently acquired lands by drilling select horizontal wells from its drilling inventory while not exposing the Corporation to capital investment risk that could jeopardize its future growth;
- Establish the Corporation in a second organic play concept by acquiring strategic parcels of land during a period when land prices are at a 20-year low; and
- Capitalize on strategic acquisition opportunities.

On behalf of our management team and board of directors, we thank our shareholders for their ongoing support and commitment to Altura.

About Altura Energy Inc.

Altura Energy Inc. is a public oil and gas corporation active in the exploration and development of oil and natural gas in east central Alberta.

READER ADVISORIES

Forward-looking Information and Statements

This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "budget", "forecast", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "strategy" and similar expressions are intended to identify forward looking information or statements. In particular, but without limiting the foregoing, this press release contains forward-looking information and statements pertaining to the following: 2016 capital expenditure budget, including details of expected drilling and completion plans relating to such budget, capital efficiency on the 2016 drilling program, first quarter of 2016 production forecast, 2016 production forecast, 2016 exit rate forecast and potential acquisition opportunities. Statements relating to "reserves" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

The forward-looking information and statements contained in this press release reflect several material factors and expectations and assumptions of Altura including, without limitation: that Altura will continue to conduct its operations in a manner consistent with past operations; the general continuance of current industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the accuracy of the estimates of Altura's reserves and resource volumes; certain commodity price and other cost assumptions; and the continued availability of adequate debt and equity financing and cash flow from operations to fund its planned expenditures. Altura believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct. To the extent that any forward-looking information contained

herein may be considered future oriented financial information or a financial outlook, such information has been included to provide readers with an understanding of management's assumptions used for budgeted and developing future plans and readers are cautioned that the information may not be appropriate for other purposes.

The forward-looking information and statements included in this press release report are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Altura's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Altura or by third party operators of Altura's properties, increased debt levels or debt service requirements; inaccurate estimation of Altura's oil and gas reserve and resource volumes; limited, unfavorable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time to time in Altura's public documents.

The forward-looking information and statements contained in this press release speak only as of the date of this press release, and Altura does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Non-GAAP Measures

This press release contains references to measures used in the oil and natural gas industry such as "funds from operations", "corporate netback", "funds from operations per share", "operating netback", and "net debt". These measures do not have standardized meanings prescribed by generally accepted accounting principles ("GAAP") and therefore should not be considered in isolation. These reported amounts and their underlying calculations are not necessarily comparable or calculated in an identical manner to a similarly titled measure of other companies where similar terminology is used. Where these measures are used, they should be given careful consideration by the reader. These measures have been described and presented in the press release in order to provide shareholders and potential investors with additional information regarding the Corporation's liquidity and its ability to generate funds to finance its operations.

Funds from operations should not be considered an alternative to, or more meaningful than, cash provided by operating, investing and financing activities or net income as determined in accordance with GAAP, as an indicator of Altura's performance or liquidity. Funds from operations is used by Altura to evaluate operating results and the Corporation's ability to generate cash flow to fund capital expenditures and repay indebtedness. Funds from operations denotes cash flow from operating activities as it appears on the Corporation's statement of cash flows before decommissioning expenditures, if any, transaction costs and changes in non-cash operating working capital. Funds from operations is also derived from income (loss) plus transaction costs and non-cash items including deferred income tax (recovery) expense, depletion, depreciation and amortization expense, share-based compensation expense, impairment, the fair value of investments, flow-through share renunciation, (gains) losses on disposition of assets and accretion expense. Funds from operations per share is calculated as funds from operations divided by the weighted average number of basic and diluted common shares outstanding. Operating netback denotes total sales less royalty expenses, and operating and transportation costs calculated on a per boe basis. Corporate netback denotes operating netback less general and administrative and interest and financing expense plus interest income on a per boe basis. Adjusted working capital surplus (deficit) includes current assets less current liabilities excluding the credit facility. Altura uses net debt as a measure to assess its financial position. Net debt includes outstanding bank indebtedness plus adjusted working capital surplus (deficit).

Oil and Gas Advisories

All reserve references in this press release are "company share reserves". Company share reserves are Altura's total working interest reserves before the deduction of any royalties and including any royalty interests of the Corporation.

Barrels of Oil Equivalent

The term barrels of oil equivalent ("**boe**") may be misleading, particularly if used in isolation. Per boe amounts have been calculated by using the conversion ratio of six thousand cubic feet (6 mcf) of natural gas to one barrel (1 bbl) of crude oil. The boe conversion ratio of 6 mcf to 1 bbl 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 equivalent of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Initial Production Rates

Any references in this document to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Corporation.

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