



Altura Energy Inc. Provides an Operational Update

October 11, 2018

Calgary, Alberta - Altura Energy Inc. ("Altura", or the "Corporation") (TSX Venture: ATU) is pleased to provide an operational update in respect to its Leduc-Woodbend core area.

Altura completed its summer drilling program of eight 1.5-mile extended reach horizontal ("ERH") wells in the Leduc-Woodbend Upper Mannville Rex oil pool on August 23rd. Five wells were brought on production throughout July and August, two wells were brought on production October 3rd and continue to clean up completion fluids and one well is scheduled for completion in November.

Compared to the three ERH wells drilled in the prior campaign (August 2017 to January 2018), the average spud to rig release time for the recent eight-well program dropped from 11 days to 8 days per well. As a result, drilling operations for the summer program were under budget by approximately \$125,000 per well and were completed four weeks ahead of schedule.

The Corporation tested increased frac density on two of the eight wells in the summer program to evaluate further improvement in well productivity and reserves. On these pilot wells, Altura increased the frac density by reducing the frac spacing to 30 meters from 45 meters and reducing the per interval sand tonnage from 20 tonnes to 15 tonnes. This resulted in a 50 percent increase in the number of fracs and a 20 percent increase in the overall sand tonnage. Initial results of this pilot are encouraging and will continue to be assessed over the next several months.

Altura's corporate production averaged 502 Boe per day (70 percent oil and liquids) in June and increased to a corporate average of 1,650 Boe per day (87 percent oil and liquids) for September, based on field estimates. Altura's production was curtailed over the September 22-30 period to approximately 900 Boe per day due to a third-party gas plant maintenance turnaround. Corporate production volumes for the third quarter of 2018 are estimated at 1,050 Boe per day (82 percent oil and liquids), based on field estimates. For the October 1-7 period, corporate field estimates increased to 1,700 Boe per day as wells were brought back on-line from the curtailment.

Altura has completed the construction of a multi-well oil battery at 12-14-049-26W4 on time and on budget. Since commissioning the battery on July 30th, it has processed total fluid volumes of up to 6,000 barrels per day and has enabled Altura to haul clean oil to additional sales terminals to optimize pricing and reduce oil treating costs.

The Corporation's 2018 capital expenditure guidance is \$33 million, before acquisitions and dispositions, which is consistent with guidance provided on August 9, 2018. Such capital expenditures are split approximately 79 percent to drilling, completion, equipping and tie-in capital and 21 percent to infrastructure and other capital. The capital expenditure program is expected to be funded from cash on hand, cash flow from operating activities and Altura's \$3 million credit facility. Planning for 2019 is underway and is focused on continuing to grow per share production and cash flow from Leduc-Woodbend.

ABOUT ALTURA ENERGY INC.

Altura is a junior oil and gas exploration, development and production company with operations in central Alberta. Altura predominantly produces from the Rex member in the Upper Mannville group and is focused on delivering per share growth and attractive shareholder returns through a combination of organic growth and strategic acquisitions.

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:

- Altura's business plans and strategy including its 2018 drilling, completion and on-production plans;
- Altura's expected funding for capital expenditures;
- forecasted 2018 capital spending; and
- Altura's plans to grow 2019 per share production and cash flow from Leduc-Woodbend.

The forward-looking information and statements contained in this press release reflect several material factors and expectations and assumptions of Altura including, without limitation:

- the continued performance of Altura's oil and gas properties in a manner consistent with its past experiences;
- 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;
- the continued availability of oilfield services; 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 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.

Oil and Gas Advisories

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 press release 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. Oil and gas formations are inherently unpredictable, particularly in the early stage of their development. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Corporation.

For further information please contact:

Altura Energy Inc.
2500, 605 – 5th Avenue SW
Calgary, Alberta T2P 3H5
Telephone (403) 984-5197
www.alturaenergy.ca

David Burghardt
President and Chief Executive Officer
Direct (403) 984-5195

Tavis Carlson
Vice President, Finance and Chief Financial Officer
Direct (403) 984-5196

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