



NEWS RELEASE

DECEMBER 17, 2019

TOURMALINE CONFIRMS 2020 GUIDANCE AND ACHIEVES 2019 EXIT TARGETS

Calgary, Alberta – Tourmaline Oil Corp. (TSX:TOU) ("Tourmaline" or the "Company") is pleased to announce 2020 average production guidance of 315,000 – 320,000 boepd on 2020 EP capital spending of \$925.0 million. The Company anticipates 2020 free cash flow⁽¹⁾ of \$345.0 million utilizing strip commodity pricing. The 2020 free cash flow will be employed for share buybacks, possible dividend increases, and continuing debt reduction. Tourmaline is targeting a 2020 exit net debt⁽²⁾-to-cash flow ratio of 1.2 times. The Company has also updated the five-year development plan. Annual free cash flow grows steadily through the plan, yielding aggregate free cash flow of \$1.75 billion, based on strip pricing.

Acquisition activity in 2020 will be funded via the additional funds raised through the creation of Topaz Energy Corp. ("Topaz"). Including the Tourmaline-owned equity position in Topaz, the Company has access to over \$800 million for select acquisition activity. Production and cash flow⁽³⁾ realized through acquisition activities will be incremental to the five-year plan.

The 2019 production exit target of 315,000 – 320,000 boepd was achieved during the second week of December, with total corporate production reaching a record 317,000 boepd. The total liquid (oil, condensate, NGLs) production exit target of 68,000 bpd was also achieved in the same early December time frame, which includes 31,000 bpd of light oil and condensate.

Subsequently, an unplanned production interruption at the Pembina Saturn deep-cut facility in the Alberta Deep Basin, commencing on December 10, has reduced current NGL production by approximately 11,200 bpd. This interruption, originally expected to last two days, has now been extended until early January 2020 to replace a turbine in the sales gas compressor. The outage, combined with a seven-day turnaround at Saturn in October 2019 intended for preventative maintenance, will reduce total quarterly liquid production by approximately 3,500 bpd and overall quarterly average production volumes by approximately 2,500 boepd.

Planned and unplanned shut-ins on the NEBC Enbridge system during Q4 for pipeline integrity inspections and associated cleaning tool runs have further reduced fourth quarter production by approximately 2,500 boepd. Tourmaline expects Q4 2019 average production of approximately 302,000 boepd incorporating these unscheduled mid-stream outages, an increase of over 12,000 boepd compared to the Q3 2019 average of 289,594 boepd.

(1) "Free cash flow" is defined as cash flow less total net capital expenditures. Total net capital expenditures is defined as total capital spending before acquisitions and non-core dispositions. Free cash flow is prior to any dividend payments. See "Non-GAAP Financial Measures" in this news release and in the Company's Q3 2019 Management's Discussion and Analysis.

(2) See "Non-GAAP Financial Measures" in this news release and in the Company's Q3 2019 Management's Discussion and Analysis.

(3) "Cash flow" is defined as cash provided by operations before changes in non-cash operating working capital. See "Non-GAAP Financial Measures" in this news release and in the Company's Q3 2019 Management's Discussion and Analysis.

Tourmaline will enter 2020 already producing at the forecast 2020 production range of 315,000 – 320,000, which includes an increased downtime provision for these unscheduled third-party interruptions equivalent to what was experienced in 2019.

READER ADVISORIES

CURRENCY

All amounts in this news release are stated in Canadian dollars unless otherwise specified.

FORWARD-LOOKING INFORMATION

This news release contains forward-looking information and statements (collectively, “forward-looking information”) within the meaning of applicable securities laws. The use of any of the words “forecast”, “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “on track”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information. More particularly and without limitation, this news release contains forward-looking information concerning Tourmaline’s plans and other aspects of its anticipated future operations, management focus, objectives, strategies, financial, operating and production results and business opportunities, including the following: anticipated petroleum and natural gas production and production growth for various periods including for Q4 2019 and annual 2020; capital spending in 2020; potential for share buybacks, possible dividend increases (when, and if, declared by the board of directors of the Company) and debt reduction; targeted 2020 exit debt-to-cash flow ratio; funds available for acquisition activity; projected operating and drilling costs and the benefits of utilizing new technology in connection therewith; the timing for facility expansions and facility start-up dates; the ability to generate, and the amount of, anticipated free cash flow including in 2020 and over the five-year development plan; as well as Tourmaline’s future drilling prospects and plans, business strategy, future development and growth opportunities, prospects and asset base. The forward-looking information is based on certain key expectations and assumptions made by Tourmaline, including expectations and assumptions concerning the following: prevailing and future commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve volumes; operating costs the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions; the state of the economy and the exploration and production business; the availability and cost of financing, labour and services; ability to market crude oil, natural gas and NGL successfully; and the availability of funds from Tourmaline’s equity position in Topaz.

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.

Although Tourmaline believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Tourmaline can give no assurances that it will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could

differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, revenues, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Additional information on these and other factors that could affect Tourmaline, or its operations or financial results, are included in the Company's most recently filed Management's Discussion and Analysis (See "Forward-Looking Statements" therein), Annual Information Form (See "Risk Factors" and "Forward-Looking Statements" therein) and other reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Tourmaline's website (www.tourmalineoil.com).

The forward-looking information contained in this news release is made as of the date hereof and Tourmaline undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless expressly required by applicable securities laws.

FINANCIAL OUTLOOK

Also included in this news release are estimates of Tourmaline's 2020 exit net debt-to-cash flow ratio as well as 2020 – 2024 free cash flow, which are based on, among other things, the various assumptions as to production levels, capital expenditures, annual cash flows and other assumptions disclosed in this news release and including Tourmaline's estimated average production of 302,000 boepd for Q4 2019, 315,000 – 320,000 boepd for 2020 and 333,000, 353,000, 372,000 and 391,000 boepd for 2021 - 2024, respectively. Commodity price assumptions for natural gas (NYMEX (US) - \$2.29/mcf, \$2.46/mcf, \$2.46/mcf, \$2.49/mcf and \$2.54/mcf for 2020 – 2024, respectively; AECO - \$1.92/mcf, \$2.08/mcf, \$2.10/mcf, \$2.13/mcf and \$2.27/mcf for 2020 – 2024, respectively), and crude oil (WTI (US) - \$57.30/bbl, \$53.51/bbl, \$51.81/bbl, \$51.20/bbl and \$51.19/bbl for 2020 – 2024, respectively) and an exchange rate assumption of \$0.76 (US/CAD) for 2020 and 2021 and \$0.75 for 2022 - 2024. Further, in the case of years subsequent to 2020, such estimates are provided for illustration only and are based on budgets and forecasts that have not been finalized and are subject to a variety of additional contingencies including prior years' results. To the extent such estimates constitute a financial outlook, they were approved by management and the Board of Directors of Tourmaline on December 17, 2019 and are included to provide readers with an understanding of Tourmaline's anticipated free cash flow based on the capital expenditure, production and other assumptions described herein and readers are cautioned that the information may not be appropriate for other purposes.

NON-GAAP FINANCIAL MEASURES

This news release includes references to "free cash flow", "cash flow", and "net debt", which are financial measures commonly used in the oil and gas industry and do not have a standardized meaning prescribed by

International Financial Reporting Standards ("GAAP"). Accordingly, the Company's use of these terms may not be comparable to similarly defined financial measures presented by other companies. Management uses the term "free cash flow", "cash flow", and "net debt" for its own performance measures and to provide shareholders and potential investors with a measurement of the Company's ability to generate the cash necessary to fund a portion of its future growth expenditures, to pay dividends or to repay debt. Investors are cautioned that these non-GAAP financial measures should not be construed as an alternative to net income or cash from operating activities determined in accordance with GAAP as an indication of the Company's performance. Free cash flow is calculated as cash flow less total net capital expenditures and is prior to any dividend payments. Cash flow is defined as cash provided by operations before changes in non-cash operating working capital. Net debt is defined as bank debt plus working capital (adjusted for the fair value of financial instruments and lease liabilities). See "Non-GAAP Financial Measures" in the most recently filed Management's Discussion and Analysis for additional information regarding these non-GAAP financial measures including reconciliations to the most directly comparable GAAP financial measures.

BOE EQUIVALENCY

In this news release, production and reserves information may be presented on a "barrel of oil equivalent" or "boe" basis. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: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. In addition, as the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

CERTAIN DEFINITIONS:

<i>bbbl</i>	barrel
<i>bbls/day</i>	barrels per day
<i>bbl/mmcfc</i>	barrels per million cubic feet
<i>bcfc</i>	billion cubic feet
<i>bcfc</i>	billion cubic feet equivalent
<i>boe</i>	barrel of oil equivalent
<i>boepd or boe/d</i>	barrel of oil equivalent per day
<i>bopd or bbl/d</i>	barrel of oil, condensate or liquids per day
<i>bpd or bbl/d</i>	barrels per day
<i>DUC</i>	drilled but uncompleted wells
<i>EUR</i>	estimated ultimate recovery
<i>FCP</i>	final circulating pressure
<i>gc</i>	gigajoule
<i>gcs/d</i>	gigajoules per day
<i>mbbls</i>	thousand barrels
<i>mmbbls</i>	million barrels
<i>mboe</i>	thousand barrels of oil equivalent
<i>mcf</i>	thousand cubic feet
<i>mcfpd or mcf/d</i>	thousand cubic feet per day
<i>mcfc</i>	thousand cubic feet equivalent
<i>mmboe</i>	million barrels of oil equivalent
<i>mmbtu</i>	million British thermal units
<i>mmbtu/d</i>	million British thermal units per day
<i>mmcf</i>	million cubic feet
<i>mmcfpd or mmcf/d</i>	million cubic feet per day
<i>MPa</i>	megapascal
<i>mstboe</i>	thousand stock tank barrels of oil equivalent
<i>NGL or NGLs</i>	natural gas liquids

ABOUT TOURMALINE OIL CORP.

Tourmaline is a Canadian senior crude oil and natural gas exploration and production company focused on long-term growth through an aggressive exploration, development, production and acquisition program in the Western Canadian Sedimentary Basin.

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