



NEWS RELEASE

NOVEMBER 6, 2019

## TOURMALINE'S FREE CASH FLOW GENERATION CONTINUES AND CAPITAL EFFICIENCIES IMPROVE

**Calgary, Alberta** - Tourmaline Oil Corp. (TSX:TOU) ("Tourmaline" or the "Company") is pleased to release financial and operating results for the third quarter of 2019.

### HIGHLIGHTS

- Record average Q3 oil, condensate and NGL production of 55,833 bpd, up 23% from the same quarter in 2018 and 7% from Q2 2019. Average September total liquids production of 60,138 bpd is on track with the full-year average.
- Q3 average production of 289,578 boepd, including impact of Q3 natural gas storage injections and natural gas price-related deferrals, up 3% from Q2 average production and 14% from Q3 2018.
- Generated Q3 free cash flow<sup>(1)</sup> of \$14.1 million even with weak AECO natural gas prices, including E&P capital spending of \$201.1 million.
- Q4 2019 free cash flow is expected to be approximately \$50 million based on strip pricing.
- The Company has bought back a total of 863,000 common shares under its NCIB for \$10.4 million at an average of \$12.10/share.
- Tourmaline acquired an incremental working interest in the Peace River High oil/gas complex for \$175 million including 5,600 boepd, 50% oil and \$40 - \$45 million of incremental annual cash flow<sup>(2)</sup>.
- Tourmaline continues to reduce operating costs averaging \$3.11/boe in Q3, down 10% from Q2 2019.
- Tourmaline has also entered into a significant long-haul transportation agreement that will increase exposure to the North West U.S., growing current deliveries of 300 mmcfpd up to 450 mmcfpd by 2023, approximately 67% of which is sold at PG&E Citygate.
- 2019 estimated EP capital spending has been further reduced by \$90.0 million.

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

(2) "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.

## PRODUCTION UPDATE

Third quarter 2019 production averaged 289,578 boepd, up 3% from the previous quarter and a 14% increase over Q3 2018. As with Q2 2019, the Company deferred select dry natural gas completion activities due to low natural gas prices, reducing Q3 2019 production by 3,500 boepd. The majority of these wells are being stimulated during the fourth quarter to be brought on-production into a much-improved AECO price environment.

The Company expects to average 295,000 - 300,000 boepd for full-year 2019, essentially within original guidance. Tourmaline will bring approximately 75 wells on-production during the fourth quarter, including the DUC inventory created by the natural gas price-related deferrals during the summer. Dawn and California storage positions built during Q2/Q3 2019 will be sold during the winter. If these incremental volumes are sold during the fourth quarter, they will add approximately 3,500 boe/d to fourth quarter production. Tourmaline expects to exit 2019 at production levels of between 315,000 and 320,000 boepd.

September corporate liquids production was 60,138 bpd (oil, condensate, NGLs) - a record, and on-track with the 2019 anticipated full-year average. Tourmaline expects exit 2019 total liquids production of 68,000 bpd. The Q4 2019 liquids production growth is being driven by the ability to produce the new Gundy deep-cut plant at full volume; incremental natural gas/condensate volumes from three new pads delivered to third-party processing options at Gundy; start-up of 12 new oil wells on the Peace River High complex, including the new high-rate 11-2 pad; the impact of the Peace River High acquisition for a full quarter; and strong liquids production from the new Cardium and Falher D plays in the Alberta Deep Basin complex.

## Q3 2019 FINANCIAL RESULTS

Third quarter 2019 earnings were \$15.8 million or \$0.06/diluted share (YTD Q3 earnings were \$258.4 million or \$0.95/diluted share) underscoring the inherent profitability of the ongoing EP business, even in an extremely low natural gas and NGL price environment.

Third quarter 2019 cash flow was \$224.0 million (\$0.82/diluted share) with a Q3 2019 AECO natural gas price of \$0.92/mcf. Continued weaker-than-forecast NGL pricing also reduced Q3 2019 cash flow. Nine-month 2019 cash flow was \$869.7 million compared to nine-month EP capital spending of \$766.4 million.

Q4 2019 and winter AECO natural gas prices have improved dramatically which is expected to drive a material increase in fourth quarter cash flow. The Company has between 375 and 400 mmcfpd exposed to Winter AECO pricing. Tourmaline's long-term natural gas volumes on the GTN/PG&E system will increase from 200 mmcfpd to 300 mmcfpd in November 2019. San Francisco City Gate prices have remained one of the premium priced US hubs during 2019 (October average of \$3.15/mmBtu US). This additional transport will further enhance Q4 2019 cash flow. The change in NGTL system protocol during summer maintenance periods (that Tourmaline helped develop and implement) is expected to yield stronger and less-volatile summer 2020 AECO natural gas prices.

Third quarter 2019 operating costs were \$3.11/boe, well below average full-year guidance of \$3.45/boe. September 2019 operating costs were \$3.00/boe. These sustained lower costs are expected to enhance overall 2020 realized cash flow. Each 10¢/boe operating cost reduction increases 2020 cash flow by approximately \$12 million.

Net debt<sup>(3)</sup> at September 30, 2019 is \$1.9 billion (\$1.7 billion after accounting for the expected proceeds from the Topaz transaction scheduled to close on November 14, 2019).

The quarterly dividend for Q4 2019 will remain at \$0.12/common share.

## 2019 CAPITAL PROGRAM

Third quarter 2019 EP capital spending was \$201.1 million, down 50% from Q3 2018. The Company continues to ensure that EP capital spending is less than cash flow, and even with record-low natural gas prices in the quarter reducing cash flow to \$224.0 million, program deferrals kept capital spending below cash flow.

Continuously-improving capital efficiencies, primarily through reduced drilling and completion capital costs, has allowed Tourmaline to systematically reduce original 2019 EP capital spending by \$180.0 million, year-to-date. In addition, a further \$90.0 million capital reduction is forecast in Q4, bringing full-year 2019 EP capital spending down to \$1,035.0 million. Full-year capital efficiencies of approximately \$8,000/boepd will be delivered by the EP program in 2019 - a record low for the Company.

The Company estimates Q4 2019 free cash flow to be approximately \$50.0 million (based on strip pricing) due to the combination of stronger natural gas prices and continued capital discipline on the Q4 E&P program.

## 2020 CAPITAL PROGRAM

The Company has approved a 2020 EP capital program of \$900 - 925 million which will result in 2020 average production of 315,000 – 322,500 boepd, unchanged from prior 2020 production guidance. The 2020 EP capital program is \$100 - \$125 million less than previous capital guidance, reflecting the continually-improving capital efficiencies realized by the Company. The Company expects a step change increase in 2020 free cash flow generation based on natural gas strip pricing. 2020 EP maintenance capital is estimated to be \$800 - 825 million, much lower than previous estimates. The Company will provide a full five-year plan update with finalized 2020 guidance and five-year commodity price assumptions in early December.

## PEACE RIVER HIGH COMPLEX ASSET ACQUISITION

Tourmaline is pleased to report that it re-acquired the 25% working interest in the Peace River High complex for \$175 million (Cdn). The acquisition adds approximately 5,600 boepd of oil and natural gas production currently operated by Tourmaline and net 2P reserves of approximately 62.0 mmboe. The acquired asset was originally sold by Tourmaline in Q4 2014 and was producing approximately 3,000 boepd with 2P reserves of 24.0 mmboe at that time. Tourmaline also consolidated the facility working interests back to 100% and acquired an additional net 125 booked drilling locations (GLJ Jan. 1, 2019) and 328 currently unbooked locations.

Tourmaline estimates that the acquired asset will add \$40 - 45 million of incremental cash flow in 2020, providing a net free cash flow yield of 14% for the acquisition. The acquired assets contributed to September 2019 full-month production and financial results.

The acquisition in the Peace River High complex is being financed by reduced 2019/2020 EP capital spending.

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<sup>(3)</sup> See "Non-GAAP Financial Measures" in this news release and in the Company's Q3 2019 Management's Discussion and Analysis.

## TOPAZ UPDATE

The previously-announced purchase by Topaz Energy Corp. (“Topaz”) of certain assets of the Company, and the financing of Topaz, remain on schedule to close November 14, 2019. At closing, Tourmaline will receive from Topaz approximately \$200 million in cash and Topaz common shares representing approximately 75% equity interest.

## EP UPDATE

### **Gundy BC Project**

The Gundy c-60-A deep cut plant was ramped to full volume of 200 mmcfpd in September with total liquids production increasing to 12,500 bpd. A further three new multi-well pads will be brought on-production during the fourth quarter maintaining the plant at full capacity as well as growing volumes that are accessing third-party processing options. An incremental 3,000 bpd of liquids is expected from the Gundy complex during Q4. Very strong new well performance continues at Gundy; sustained liquid rates of 90 - 100 bbls/mmcf are being realized from the wells in the southern half of the property. Repeatable sustained drill, complete and equip capital costs of less than \$3.0 million continue; current Gundy complex operating costs are less than \$2.25/boe. The Gundy Phase 2 expansion at c-60-A to 400 mmcfpd is planned for late 2021/early 2022. Tourmaline has secured an additional 150 mmcfpd of firm, long-term transport on the GTN/PG&E system that accesses the lucrative Pacific NW and California markets with these new volumes. Total Tourmaline natural gas volumes accessing these markets are expected to reach 450 mmcfpd in the 2022/2023 time-frame.

### **Alberta Deep Basin**

Successful exploitation of new liquid-rich horizons continues in the Alberta Deep Basin. Total liquids production in the Deep Basin complex is now in excess of 27,000 bpd (condensate and NGLs). The Anderson 7-11 Cardium well was producing 24.1 mmcfpd and 724 bbls/day of condensate at the end of a five-day test in October. The initial Anderson Cardium development block, a small subset of the identified natural gas/condensate play trend, is currently producing 86 mmcfpd and 2,033 bbls/day of condensate and NGLs from a total of 17 Cardium wells. The block has produced 44.7 bcf and 1.01 mmbbls since initiation of horizontal development approximately 18 months ago.

The Wroe 15-8 three Falher D pad came on-production in October and after two weeks is producing at a combined rate of 27.0 mmcfpd with 536 bbls/day of condensate and 2,145 bbls/day of NGLs. The Company plans to drill and complete eight additional Falher D wells during Q4 2019/Q1 2020 as part of the overall Deep Basin development program.

The Company plans to maintain Deep Basin production at the 170,000 boepd level in 2020.

### **Peace River High**

The new 11-2-79-7 W6 four-well Upper Charlie Lake pad came on-production in late October and is currently producing 2,850 bbls/day of oil and 2.3 mmcfpd of gas.

## CORPORATE SUMMARY – THIRD QUARTER 2019

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	2018	Change	2019	2018	Change
<b>OPERATIONS</b>						
Production						
Natural gas ( <i>mcf/d</i> )	<b>1,402,468</b>	1,253,490	12%	<b>1,404,200</b>	1,290,611	9%
Crude oil and NGL ( <i>bbl/d</i> )	<b>55,833</b>	45,270	23%	<b>53,806</b>	46,059	17%
Oil equivalent ( <i>boe/d</i> )	<b>289,578</b>	254,185	14%	<b>287,839</b>	261,161	10%
Product prices <sup>(1)</sup>						
Natural gas ( <i>\$/mcf</i> )	<b>\$ 1.89</b>	\$ 2.54	(26)%	<b>\$ 2.52</b>	\$ 2.59	(3)%
Crude oil and NGL ( <i>\$/bbl</i> )	<b>\$ 38.24</b>	\$ 48.91	(22)%	<b>\$ 39.56</b>	\$ 47.63	(17)%
Operating expenses ( <i>\$/boe</i> )	<b>\$ 3.11</b>	\$ 3.44	(10)%	<b>\$ 3.35</b>	\$ 3.33	1%
Transportation costs ( <i>\$/boe</i> )	<b>\$ 3.84</b>	\$ 3.71	4%	<b>\$ 3.77</b>	\$ 3.48	8%
Operating netback <sup>(3)</sup> ( <i>\$/boe</i> )	<b>\$ 9.10</b>	\$ 13.15	(31)%	<b>\$ 11.81</b>	\$ 13.51	(13)%
Cash general and administrative expenses ( <i>\$/boe</i> ) <sup>(2)</sup>						
	<b>\$ 0.48</b>	\$ 0.54	(11)%	<b>\$ 0.48</b>	\$ 0.51	(6)%
<b>FINANCIAL</b>						
<i>(\$000, except share and per share)</i>						
Revenue	<b>440,089</b>	496,711	(11)%	<b>1,547,749</b>	1,510,722	2%
Royalties	<b>12,654</b>	21,880	(42)%	<b>60,471</b>	61,989	(2)%
Cash flow <sup>(3)</sup>	<b>223,984</b>	287,421	(22)%	<b>869,684</b>	911,930	(5)%
Cash flow per share ( <i>diluted</i> ) <sup>(3)</sup>	<b>\$ 0.82</b>	\$ 1.06	(23)%	<b>\$ 3.20</b>	\$ 3.36	(5)%
Net earnings	<b>15,750</b>	55,296	(72)%	<b>258,400</b>	210,523	23%
Net earnings per share ( <i>diluted</i> )	<b>\$ 0.06</b>	\$ 0.20	(70)%	<b>\$ 0.95</b>	\$ 0.78	22%
Capital expenditures ( <i>net of dispositions</i> )	<b>384,307</b>	409,919	(6)%	<b>966,870</b>	819,243	18%
Weighted average shares outstanding ( <i>diluted</i> )				<b>272,055,634</b>	271,588,415	–%
Net debt <sup>(3)</sup>				<b>(1,914,413)</b>	(1,688,854)	13%

(1) Product prices include realized gains and losses on risk management and financial instrument contracts.

(2) Excluding interest and financing charges.

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

## Conference Call Tomorrow at 9:00 a.m. MT (11:00 a.m. ET)

Tourmaline will host a conference call tomorrow, November 7, 2019 starting at 9:00 a.m. MT (11:00 a.m. ET). To participate, please dial 1-888-231-8191 (toll-free in North America), or international dial-in 647-427-7450, a few minutes prior to the conference call.

Conference ID is 3777299.

## 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 estimated production levels for 2019 and 2020 and beyond; expected free cash flow and cash flow levels; the timing for the release of the five-year development plan; the timing for the completion of the transaction involving Topaz and the consideration to be received by the Company pursuant to the transactions; the future declaration and payment of dividends and the timing and amount thereof including any future increase; production levels supported by certain of the Company's reserves and drilling inventory; capital spending over various periods; cost reduction initiatives; projected operating and drilling costs; the timing for bringing on production from storage or from DUC wells and facility expansions and facility start-up dates; anticipated future commodity prices including the expectation for future increases above current levels; anticipated revenue from the Company's oil marketing terminal and third-party processing; 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 including, in the case of 2019 and 2020 production estimates, commodity price assumptions for natural gas (NYMEX (US) - \$2.40/mcf for Q4 2019 and \$3.10/mcf for 2020; AECO - \$2.30/mcf for Q4 2019 and \$2.00/mcf for 2020, and crude oil (WTI (US) - \$55.00/bbl) and an exchange rate assumption of \$0.77 (US/CAD); prevailing and future commodity prices and currency exchange rates, including in the case of incremental annual cash flow from the Peace River High working interest acquisition, an estimated operating netback of approximately \$21 per boe; 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; and ability to market crude oil, natural gas and NGL successfully. Without limitation of the foregoing, future dividend payments, if any, and the level thereof is uncertain, as the Company's dividend policy and the funds available for the payment of dividends from time to time is dependent upon, among other things, free cash flow, financial requirements for the Company's operations and the execution of its growth strategy, fluctuations in working capital and the timing and amount of capital expenditures, debt service requirements and other factors beyond the Company's control. Further, the ability of Tourmaline to pay dividends will be subject to applicable laws (including the satisfaction of the solvency test contained in applicable corporate legislation) and contractual restrictions contained in the instruments governing its indebtedness, including its credit facility.

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 natural 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](http://www.sedar.com)) or Tourmaline's website ([www.tourmalineoil.com](http://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.

#### **NON-GAAP FINANCIAL MEASURES**

This news release includes references to "free cash flow", "cash flow", "net debt", "net capital expenditures" and "operating netback" 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", "net debt", "net capital expenditures" and "operating netback" for its own performance measures and to provide shareholders and potential investors with a measurement of the Company's efficiency and its 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 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). Net capital expenditures is defined as the sum of E&P capital program and other corporate expenditures, net of non-core dispositions. 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.

## **FINANCIAL OUTLOOK**

Also included in this news release are estimates of Tourmaline's Q4 2019 free cash flow and capital expenditures over various periods, 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 295,000 - 300,000 boepd for 2019 and 315,000 – 322,500 boepd for 2020 and commodity price assumptions for natural gas (NYMEX (US) - \$2.40/mcf for Q4 2019 and \$3.10/mcf for 2020; AECO - \$2.30/mcf for Q4 2019 and \$2.00/mcf for 2020, and crude oil (WTI (US) - \$55.00/bbl) and an exchange rate assumption of \$0.77 (US/CAD). In the case of estimated incremental annual cash flow from the Peace River High working interest acquisition of \$40 – 45 million, an estimated operating netback of approximately \$21 per boe has been assumed. To the extent such estimates constitute a financial outlook, they were approved by management and the Board of Directors of Tourmaline on November 6, 2019 and are included to provide readers with an understanding of Tourmaline's anticipated aggregate 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.

## **OIL AND GAS METRICS**

This news release contains certain oil and gas metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in this document to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the Company's future performance and future performance may not compare to the Company's performance in previous periods and therefore such metrics should not be unduly relied upon.

## **BOE EQUIVALENCY**

Per barrel of oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent (6:1). Barrel of oil equivalents (boe) 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.

## **INITIAL PRODUCTION RATES**

Any references in this news 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 and are not necessarily indicative of long-term performance or ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

## **ESTIMATES OF DRILLING LOCATIONS**

Unbooked drilling locations are the internal estimates of Tourmaline based on Tourmaline's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources (including contingent and prospective). Unbooked locations have been identified by Tourmaline's management as an estimation of Tourmaline's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Tourmaline will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and natural gas reserves, resources or production. The drilling locations on which Tourmaline will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of funding, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While a certain number of the unbooked drilling locations have been de-risked by Tourmaline drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where management of Tourmaline has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

## **GENERAL**

See also "Forward-Looking Statements", and "Non-GAAP Financial Measures" in the most recently filed Management's Discussion and Analysis.

**CERTAIN DEFINITIONS:**

<i>bbl</i>	barrel
<i>bbls/day</i>	barrels per day
<i>bbl/mmcft</i>	barrels per million cubic feet
<i>bcf</i>	billion cubic feet
<i>bcfe</i>	billion cubic feet equivalent
<i>bpd or bbl/d</i>	barrels per day
<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>DUC</i>	drilled but uncompleted wells
<i>gj</i>	gigajoule
<i>gjs/d</i>	gigajoules per day
<i>mbbls</i>	thousand barrels
<i>mmbbls</i>	million barrels
<i>mboe</i>	thousand barrels of oil equivalent
<i>mboepd</i>	thousand barrels of oil equivalent per day
<i>mcf</i>	thousand cubic feet
<i>mcfpd or mcf/d</i>	thousand cubic feet per day
<i>mcfe</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>mstb</i>	thousand stock tank barrels
<i>NGL or NGLs</i>	natural gas liquids
<i>tcf</i>	trillion cubic feet

**MANAGEMENT'S DISCUSSION AND ANALYSIS AND CONSOLIDATED FINANCIAL STATEMENTS**

To view Tourmaline's Management's Discussion and Analysis and Interim Condensed Consolidated Financial Statements for the periods ended September 30, 2019 and 2018, please refer to SEDAR ([www.sedar.com](http://www.sedar.com)) or Tourmaline's website at [www.tourmalineoil.com](http://www.tourmalineoil.com).

## **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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