



NEWS RELEASE

MAY 28, 2024

TOURMALINE OIL CORP. ANNOUNCES ISSUANCE OF SENIOR UNSECURED NOTES

Calgary, Alberta - Tourmaline Oil Corp. (TSX - TOU) ("**Tourmaline**" or the "**Company**") is pleased to announce that it has agreed to issue \$250 million aggregate principal amount of senior unsecured notes due May 30, 2027 (the "**Notes**"). The Notes will be issued at par for aggregate gross proceeds of \$250 million and will bear interest at a fixed rate of 4.856% per annum, payable semi-annually on the 30th day of November and May of each year, commencing on November 30, 2024.

Tourmaline continues its strategy of diversifying its sources of low-cost capital and continuing its progression as one of the largest, most efficient producers of oil and gas in North America. The Notes have been assigned a provisional rating of BBB (High), with a stable trend, by DBRS Limited (Morningstar DBRS).

The Notes will be direct, unsecured obligations of Tourmaline and will rank equally with all other present and future unsecured and unsubordinated indebtedness of the Company. The Notes are being offered in Canada on a private-placement basis in reliance upon exemptions from the prospectus requirements under applicable securities legislation (the "**Offering**").

The Notes, offered on a best-efforts basis through a syndicate of agents co-led by Scotia Capital Inc., BMO Nesbitt Burns Inc. and TD Securities Inc., are expected to be issued on or about May 30, 2024, subject to customary closing conditions. The net proceeds of the Offering will be used to repay existing indebtedness and for general corporate purposes. The Company remains committed to a long-term net debt⁽¹⁾ target of \$1.2 to \$1.4 billion and intends to progress towards that target throughout 2024.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any of the Notes in any jurisdiction. The Notes have not been approved or disapproved by any regulatory authority. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered or sold within the United States unless an exemption from the registration requirements of the U.S. Securities Act is available.

(1) "Net debt" is a capital management measure. See "Non-GAAP and Other Financial Measures" in this news release and in the Company's Q1 2024 Management's Discussion and Analysis.

Reader Advisories

CREDIT RATINGS

Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

CURRENCY

All financial figures are in Canadian dollars.

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: the anticipated timing and closing of the Offering, and there can be no assurance that the Offering will be completed within anticipated timeframe or at all; the size and terms of the Offering; the expected use of the net proceeds of the Offering; the Company's long term net debt levels; and any other future events or developments described herein including the Company's business as described under the heading "About Tourmaline Oil Corp." below. 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; the ability to maintain an investment grade credit rating; 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 benefits to be derived from acquisitions; 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 natural gas liquids 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.

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; uncertainties associated with counterparty credit risk; 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.sedarplus.ca) 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.

NON-GAAP AND OTHER FINANCIAL MEASURES

This news release includes references to "net debt" and "adjusted working capital" which are considered "capital management measures" and do not have standardized meanings prescribed by International Financial Reporting Standards ("GAAP"). Accordingly, the Company's use of these terms may not be comparable to similarly defined measures presented by other companies. Investors are cautioned that these measures should not be construed as an alternative to or more meaningful than the most directly comparable GAAP measures in evaluating the Company's performance. See "Non-GAAP and Other Financial Measures" in the most recent Management's Discussion and Analysis for more information on the definition and description of these terms.

Capital Management Measures

Adjusted Working Capital

Management uses the term "adjusted working capital" for its own performance measures and to provide shareholders and potential investors with a measurement of the Company's liquidity. A summary of the reconciliation of working capital (deficit) to adjusted working capital (deficit), is set forth below:

<i>(000s)</i>	As at March 31, 2024	As at December 31, 2023
Working capital (deficit)	\$ (134,559)	\$ (298,280)
Fair value of financial instruments – short-term (asset)	(286,897)	(437,535)
Lease liabilities – short-term	6,048	5,796
Decommissioning obligations – short-term	45,000	45,000
Unrealized foreign exchange in working capital – liability (asset)	(3,100)	5,524
Adjusted working capital (deficit)	\$ (373,508)	\$ (679,495)

Net Debt

Management uses the term "net debt", as a key measure for evaluating its capital structure and to provide shareholders and potential investors with a measurement of the Company's total indebtedness. A summary of the composition of net debt, is set forth below:

<i>(000s)</i>	As at March 31, 2024	As at December 31, 2023
Bank debt	\$ (872,677)	\$ (651,594)
Senior unsecured notes	(448,721)	(448,643)
Adjusted working capital (deficit)	(373,508)	(679,495)
Net debt	\$ (1,694,906)	\$ (1,779,732)

ABOUT TOURMALINE OIL CORP.

Tourmaline is Canada's largest and most active natural gas producer dedicated to producing the lowest emission and lowest-cost natural gas in North America. We are an investment grade exploration and production company providing strong and predictable operating and financial performance through the development of our three core areas in the Western Canadian Sedimentary Basin. With our existing large reserve base, decades-long drilling inventory, relentless focus on execution and cost management, and industry-leading environmental performance, we are excited to provide shareholders an excellent return on capital, and an attractive source of income through our base dividend and surplus free cash flow distribution strategies.

For further information, please contact:

Tourmaline Oil Corp.

Michael Rose

Chairman, President and Chief Executive Officer

(403) 266-5992

OR

Tourmaline Oil Corp.

Brian Robinson

Chief Financial Officer

(403) 767-3587; brian.robinson@tourmalineoil.com

OR

Tourmaline Oil Corp.

Scott Kirker

Chief Legal Officer and External Affairs

(403) 767-3593; scott.kirker@tourmalineoil.com

OR

Tourmaline Oil Corp.

Jamie Heard

Vice President, Capital Markets

(403) 767-5942; jamie.heard@tourmalineoil.com

OR

Tourmaline Oil Corp.

Suite 2900, 250 – 6th Avenue S.W.

Calgary, Alberta T2P 3H7

Phone: (403) 266-5992; Facsimile: (403) 266-5952

E-mail: info@tourmalineoil.com

Website: www.tourmalineoil.com