MARQUEE ENERGY LTD. ANNOUNCES SECOND QUARTER 2015 FINANCIAL RESULTS AND OPERATIONAL UPDATE

CALGARY, ALBERTA – August 26, 2015 /CNW/ - Marquee Energy Ltd. ("Marquee" or the "Company") (TSXV: "MQL") is pleased to release its financial and operational results for the three and six months ended June 30, 2015 and provide an operations update. The Company's financial statements and Management's Discussion and Analysis ("MD&A") for the three months ended June 30, 2015 are available on SEDAR at www.sedar.com and on Marquee's website at www.marquee-energy.com.

SECOND QUARTER HIGHLIGHTS

- Maintained Q2-2015 production of 5,118 boe/d (49% oil and NGLs) representing a 2% increase compared to Q2-2014. For the six months ended June 30, 2015 production increased to 5,326 boe/d, an 18% increase over the comparable period in 2014.
- Improved balance sheet strength with second quarter exit net debt of $48.8 million, representing 1.9 times debt to annualized funds flow from operations. Q2-2015 exit net debt is down 23% from year end 2014 net debt of $63.1 million.
- Decreased Q2-2015 operating and transportation costs to $15.94/boe, a 14% improvement from the comparable period in 2014. Savings resulted from service cost reductions and a strong focus on operating efficiencies.
- Reduced general and administrative costs ("G&A") costs to $3.59/boe, a 2% decrease from Q2-2014. For the six months ending June 30, 2015 G&A costs have declined to $3.47/boe, a decrease of 14% from the comparable period in 2014.

SUBSEQUENT EVENTS

On August 19, 2015 Marquee closed a strategic acquisition (the "Acquisition") and accompanying facility arrangement (the "Facility Agreement") to further consolidate its core Michichi area. The Acquisition includes approximately 550 boe/d, 21 net sections of land containing Banff rights that are contiguous with Marquee's existing light oil play, and extensive infrastructure. The Facility Agreement enables the Company to complete consolidation of available assets in its core Michichi area without debt or dilution.

The Acquisition represents the fourth significant growth transaction completed by the Company in its Michichi core area in the last 20 months. Marquee now owns approximately 270 net undeveloped sections of land in its Michichi core area and has expanded its horizontal light oil prospect inventory to more than 290 locations.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
Financial *(000's except per share and per boe)*				
Oil and natural gas sales [1]	**$ 16,082**	$ 25,131	**$ 30,192**	$ 45,877
Funds flow from operations [2]	**$ 6,316**	$ 9,274	**$ 13,320**	$ 16,665
Per share - basic and diluted	**$ 0.05**	$ 0.08	**$ 0.11**	$ 0.17
Per boe	**$ 13.56**	$ 20.24	**$ 13.82**	$ 20.32
Net income (loss)	**$ (4,750)**	$ 900	**$ (8,881)**	$ (1,850)
Per share - basic and diluted	**$ (0.04)**	$ 0.01	**$ (0.07)**	$ (0.02)
Capital expenditures	**$ 1,038**	$ 4,173	**$ 7,767**	$ 17,170
Asset acquisitions including non-cash consideration	**$ -**	$ 1,015	**$ 16,701**	$ 12,842
Dispositions	**$ (35)**	$ (501)	**$ (27,956)**	$ (529)
Net debt [2]			**$ 48,829**	$ 63,130
Total Assets			**$ 265,779**	$ 281,976
Weighted average basic and diluted shares	**120,341**	112,534	**120,341**	100,482
Operational				
Net wells drilled	**-**	1.0	**2.0**	6.0
Daily sales volumes				
Oil *(bbls per day)*	**1,711**	1,434	**1,730**	1,329
Heavy Oil *(bbls per day)*	**622**	525	**696**	518
NGL's *(bbls per day)*	**185**	195	**206**	188
Natural Gas *(mcf per day)*	**15,599**	17,285	**16,163**	14,983
Total *(boe per day)*	**5,118**	5,035	**5,326**	4,532
% Oil and NGL's	**49%**	43%	**49%**	45%
Average realized prices				
Oil ($/bbl)	**$ 56.18**	$ 100.12	**$ 49.42**	$ 97.49
Heavy Oil ($/bbl)	**$ 51.23**	$ 82.23	**$ 41.61**	$ 77.46
NGL's ($/bbl)	**$ 34.10**	$ 58.92	**$ 28.13**	$ 65.21
Natural Gas ($/mcf)	**$ 2.72**	$ 4.82	**$ 2.88**	$ 5.26
Netbacks				
Combined ($/boe)	**$ 34.53**	$ 55.93	**$ 31.32**	$ 57.24
Royalties ($/boe)	**$ (5.33)**	$ (7.31)	**$ (3.67)**	$ (6.46)
Operating and transportation costs ($/boe)	**$ (15.94)**	$ (18.59)	**$ (15.43)**	$ (19.57)
Operating netbacks prior to hedging [3]	**$ 13.26**	$ 30.03	**$ 12.22**	$ 31.51
Realized hedging gain (loss) ($/boe)	**$ 4.86**	$ (3.01)	**$ 6.01**	$ (3.27)
Operating netbacks ($/boe) [3]	**$ 18.12**	$ 27.02	**$ 18.23**	$ 28.24

(1) Before royalties.
(2) Defined under the Additional-GAAP Measures section of this press release.
(3) Operating netback is a non-GAAP measure, defined under the Non-GAAP Measures section of this press release.

OPERATIONS UPDATE

Due to the current weakness in commodity prices, Marquee has reduced its second half drilling program at Michichi from six wells to four wells in order to maintain financial flexibility. The first well was drilled in July and is now on production. The next three wells are being drilled from a multi-well pad which reduces capital costs and is expected to lower future operating costs. Two of the wells have been drilled and the third well is currently being drilled. Completions and tie in of the pad wells will occur in September and all three wells are expected to be on production in October. All four wells in the program demonstrate good economics in the current low price environment.

Marquee continues to focus on reducing operating and G&A expenses. The Company has reduced transportation and processing costs of emulsion by utilizing owned and operated facilities and reducing the use of third party facilities. Service costs continue to decline and chemical costs have been reduced. The recently announced transaction of oil and gas producing properties has not resulted in any additional staff in either the field or Calgary office.

OUTLOOK

The Company has a strong balance sheet and a low cost oil focused asset base which allow Marquee to mitigate its exposure to volatility in commodity prices, while also positioning it for strong growth as commodity pricing improves. Marquee will continue its careful management of capital expenditures and maintenance of prudent debt levels. The Company has a hedging program in place to provide a base level of revenue surety to protect short-term capital programs.

Marquee is uniquely positioned at Michichi with a dominant operated land and infrastructure position, controlling the pace and development of the Banff/Detrital light oil play, while continuing to lower both capital and operating costs. The Company's strong financial position provides for stability throughout the changing commodity environment.

The Directors and management of Marquee continue to monitor changes to commodity pricing and the current economic environment, as it affects both the Company's business and that of its suppliers. Changes in capital spending are dependent on projected cash flow and market conditions and are reviewed quarterly by the Board of Directors.

ABOUT MARQUEE

Marquee Energy Ltd. is a Calgary based, junior energy company focused on high rate of return oil development and production. Marquee is committed to growing the company through exploitation of existing opportunities and continued consolidation within its core area at Michichi. The Company's shares are traded on the Toronto Stock Exchange under the trading symbol "MQL.V" and on the OTCQX marketplace under the symbol "MQLXF". An updated presentation and additional information about Marquee may be found on its website www.marquee-energy.com and in its continuous disclosure documents filed with Canadian securities regulators on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

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FORWARD-LOOKING STATEMENTS OR INFORMATION

Certain statements included or incorporated by reference in this news release may constitute forward-looking statements under applicable securities legislation. Such forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements or information in this news release may include, but are not limited to: the number and quality of future potential drilling and development opportunities; anticipated capital budgets and expenditures; petroleum and natural gas sales; the size and extent of the Michichi oil fairway.

Such forward-looking statements or information are based on a number of assumptions all or any of which may prove to be incorrect. In addition to any other assumptions identified in this document, assumptions have been made regarding, among other things: the ability of the Company to obtain equipment, services and supplies in a timely manner to carry out its activities; the ability of the Company to market crude oil, natural gas liquids and natural gas successfully to current and new customers; the ability to secure adequate product transportation; the timely receipt of required regulatory approvals; the ability of the Company to obtain financing on acceptable terms; interest rates; regulatory framework regarding taxes, royalties and environmental matters; future crude oil, natural gas liquids and natural gas prices; the ability to successfully integrate acquisitions into Marquee's business and management's expectations relating to the timing and results of development activities.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking information. Material risk factors affecting the Company and its business are contained in Marquee's Annual Information Form, which is available under Marquee's issuer profile on SEDAR at www.sedar.com.

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

DRILLING LOCATIONS

This press release discloses drilling locations in three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from the Company's most recent independent reserves report prepared by Sproule as at December 31, 2014 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the Company's prospective acreage and assumptions 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. Of the 290 (net) Michichi drilling locations identified herein, 29 are proved locations, 29 are probable locations and the remaining 200 are unbooked locations. Unbooked locations have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves or production. The drilling locations on which the Company will actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management 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 or production.

NON-GAAP FINANCIAL MEASURES

This press release contains the term "operating netbacks prior to hedging" which does not have a standardized meaning prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures by other companies. Marquee uses operating netbacks to analyze operating performance. Marquee believes this benchmark is a key measure of profitability and overall sustainability for the Company and this term is commonly used in the oil and natural gas industry. Operating netbacks are not intended to represent operating profits, net earnings or other measures of financial performance calculated in accordance with IFRS.

Operating netbacks prior to hedging are calculated by subtracting royalties, production, and operating and transportation expenses from revenues before other income/losses. Operating netbacks include realized hedging gain (loss).

This press release also contains the term "funds flow from operations" which should not be considered an alternative to, or more meaningful than "cash flow from operating activities", as determined in accordance with IFRS, as an indicator of the Company's performance. Therefore reference to funds flow from operations or funds flow from operations per share may not be comparable with the calculation of similar measures for other entities. Management uses funds flow from operations to analyze operating performance and leverage and considers funds flow from operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investments and to repay debt. Funds flow from operations per share is calculated using the weighted average number of shares for the period.

In addition, the press release contains the term “net debt” and “net debt to annualized funds flow from operations”. Net debt and net debt to annualized funds flow is calculated as net debt, defined as current assets less current liabilities (excluding fair value of commodity contracts and flow-through share premiums), divided by cash flow from operating activities before decommissioning expenditures and changes in non-cash working capital. Management considers net debt and net debt to annualized funds flow as important additional measures of the time period it would take to pay off the debt if no further capital expenditures were incurred and if funds flow from operating activities remained constant.

ADDITIONAL ADVISORIES

Boes are presented on the basis of one Boe for six Mcf of natural gas. Disclosure provided herein in respect of 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. Given that the value ratio based on the current price of crude oil as compared to natural gas 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.