MARQUEE ENERGY CONTINUES TRANSITION TO OIL PRODUCER IN 2012

CALGARY, March 21, 2013 /CNW/ - Marquee Energy Ltd. ("Marquee" or the "Company") (TSXV: "MQL") is pleased to announce its fourth quarter and annual operating and financial results and provide an update on recent activities.

ACHIEVEMENTS AND HIGHLIGHTS

Marquee achieved its goal of transitioning from a gas weighted to an oil and liquids weighted company in 2012. The significant growth in both production and land base in the Company's core Michichi area, together with the acquisition and development of its Lloydminster assets, have resulted in significant increases in the oil and natural gas liquids (NGL) proportion of both its average daily production and year-end reserves. The Company now has a deep inventory of oil focused drilling opportunities at both Michichi and Lloydminster.

The oil and liquids proportion of Q4-2012 production increased to 56%, compared to the 2011 exit rate of 42%. The proved component of year-end reserves is 61% oil and NGL versus 51% in 2011, and the proved plus probable component is 59% versus 47% in 2011. The proved producing component of reserves increased 87% in 2012, over 40% per share.

The Company's 2012 Finding and Development Costs, including changes in future development capital, were $8.82 per boe for proved plus probable barrels of oil equivalent (boe), and $17.92 per proved boe. Recycle ratios are 2.4x for proved plus probable reserves, and 1.2x for proved reserves. These results reflect the Company's plan to target opportunities with high oil and liquids weighting at capital costs that provide strong economic returns. The development activities in the Company's core Michichi area in 2012 drove most of this performance, and will be the target of over 85% of the 2013 capital program.

Q4 2012 Highlights:

- Continued the shift in focus to lower cost, higher oil and liquids weighted production in Eastern Alberta. Q4-2012 oil and liquids weighting was 56% versus 41% in Q4-2011. The Company's oil and liquids weighting increased to approximately 63% in December following the sale of its Willesden Green assets
- Achieved quarter over quarter production growth of 35% in Q4-2012, despite the sale of the Willesden Green assets mid-quarter (approximately 496 boe/d), and year over year production growth of 47%
- Acquired key gas processing facilities in the Company's core Michichi area to support Marquee's rapid production growth in the area, reduce tie-in times and processing costs through control of infrastructure. Expansion and upgrade of the gas plant was complete on February 1, 2013
- Completed the sale of gas weighted assets in the Willesden Green area for net proceeds of $20.6 million, resulting in the reduction of the Company's net debt and enhancement of the Company's ability to advance its drilling program at Michichi and pursue other strategic opportunities
- Funds flow from operations of $2.0 million for the quarter, versus $0.8 million in Q4-2011
- Drilled two Michichi light oil wells, and spud a third which was rig released in January
- Drilled five Lloydminster heavy oil wells in the quarter

Financial and Operational Highlights
(unaudited)

	Three months ended December 31, 2012		Twelve months ended December 31, 2012	
	2012	2011	**2012**	2011
Financial *(000's except per share)*				
Oil and natural gas sales [1]	**$9,720**	$7,399	**$37,405**	$28,605
Funds flow from operations	**$2,003**	$811	**$9,238**	$10,857
Per share - basic	**$0.04**	$0.03	**$0.18**	$0.41
Per share - diluted	**$0.04**	$0.03	**$0.18**	$0.41
Net Income (loss)	**($2,911)**	($26,549)	**($10,529)**	($25,906)
Per share - basic and diluted	**($0.05)**	($0.89)	**($0.21)**	($0.98)
Capital expenditures	**$14,522**	$7,546	**$47,445**	$39,016
Dispositions	**($21,001)**	-	**($21,001)**	($275)
Corporate Acquisitions	**-**	$25,945	**$19,885**	$25,945
Net debt [2]			**($43,852)**	($24,982)
Total Assets			**$162,645**	$139,367
Weighted average basic shares outstanding [3]	**52,953,993**	29,906,183	**50,565,982**	26,463,666
Operational				
Daily sales volumes				
Oil *(bbls per day)*	**651**	533	**667**	513
Heavy Oil *(bbls per day)*	**510**	-	**369**	-
NGL *(bbls per day)*	**96**	153	**158**	125
Gas *(mcf per day)*	**5,897**	5,809	**6,534**	5,506
Total *(boe per day)*	**2,240**	1,654	**2,283**	1,556
Realized prices				
Oil ($/bbl)	**$78.45**	$85.49	**$82.09**	$88.11
Heavy Oil ($/bbl)	**$57.29**	-	**$58.98**	-
NGL ($/bbl)	**$50.83**	$68.02	**$57.06**	$66.00
Gas ($/mcf)	**$3.51**	$3.41	**$2.51**	$3.81
Combined ($/boe)	**$47.17**	$48.63	**$44.77**	$50.36
Royalties ($/boe)	**$4.65**	$3.18	**$4.63**	$4.42
Opex and transportation ($/boe)	**$24.37**	$21.29	**$19.50**	$16.16
Field operating netbacks	**$18.15**	$24.16	**$20.64**	$29.78

(1) Before royalties.
(2) Net debt is calculated as current assets less current liabilities, excluding commodity contracts and flow-through share premiums.
(3) The Company consolidated its shares on an 8:1 basis on December 5, 2011 and all figures have been restated to reflect this consolidation.

FOURTH QUARTER AND ANNUAL HIGHLIGHTS

Marquee reported funds flow from operations of $2.0 million for the fourth quarter ended December 31, 2012, compared to $0.8 million for the same period in 2011. A 35% growth in production in Q4-2012 over Q4-2011 along with an increase in the oil and NGL weighting from 42% in 2011 to 56% in 2012 contributed to the growth in funds flow from operations. Funds flow from operations for the year ended December 31, 2012 were $9.2 million compared to $10.9 million in 2011. The significant increase in oil and natural gas sales in 2012 resulted from the increase in total production together with the increase in oil and liquids weighting. This sales increase was partially offset by a combination of lower commodity prices and higher operating costs associated with the growth in oil and liquids production, which grew from an average of 513 boe per day in 2011 to 1,036 boe per day in 2012. Average realized selling prices declined by 11% to $44.77 per boe in 2012.

The Company closed the sale of its gas weighted Cardium assets in the Willesden Green area of western Alberta on November 15, 2012 for cash consideration of approximately $21 million. In Q3 2012, the property averaged production of 496 boe per day, weighted 68% to natural gas.

Capital expenditures for the quarter were $14.5 million, including $2.1 million to acquire key gas processing facilities in the Michichi area, $7.0 million to drill and complete two wells at Michichi and five wells at Lloydminster and $3.7 million to equip and tie-in these wells and upgrade the new facilities. The remaining $1.7 million was spent on seismic and land acquisitions in the Michichi area.

The Company's financial statements and management's discussion and analysis for the fourth quarter and year ended December 31, 2012 are available on SEDAR at www.sedar.com and on Marquee's website at www.marquee-energy.com.

OPERATIONS UPDATE

The Company's activity in the fourth quarter was focused on drilling, completion & tie-in operations at Michichi and Lloydminster along with upgrading and expanding a newly acquired gas plant and gathering system in the Michichi area.

Michichi

Marquee drilled a total of seven horizontal wells at Michichi in 2012, two of which were drilled and completed during the 4th quarter. An eighth well was spudded late in December and subsequently rig released and completed during the 1st quarter of 2013. To date, Marquee has drilled 11 (11 net) successful horizontal wells since late 2011 targeting oil prospects in the Banff, Detrital and Ellerslie zones. Ten of these wells are now on production with the 11 well expected to be on production in April.

IP30 test rates for two of the last 4 wells drilled at Michichi averaged 244 boe/d with oil cuts averaging 70%. The remaining two wells have been on production for less than 30 days. The average tie-in times from rig release for the same wells has been 50 days versus the average tie-in time for the first 7 wells at Michichi of 100 days.

Marquee has continued to refine its drilling program with improvements seen in capital expenditures and well productivity. The company has begun drilling wells from multi-well pad sites generating savings in surface equipment and tie-in costs. Where appropriate, Marquee has also employed the use of acid fracturing instead of conventional multistage sand fracturing, resulting in substantial savings in completion costs. When warranted, short lateral horizontal wells have been drilled resulting in lower drilling costs and little change in overall expected well production.

The Company's current 2013 capital plan includes drilling a minimum of seven new horizontal wells at Michichi. The first was drilled in February and was recently completed and is now awaiting tie-in. Marquee expects to resume drilling in late Q2 after Spring breakup. The enhanced drilling and completion techniques and multi-well pad drilling is expected to be applied to the 2013 drilling program to optimize productivity and minimize per well costs.

Expansion and upgrading of the gas plant acquired in early Q4 2012 at Michichi was completed in early Q1 2013 and became operational on February 1, 2013. The Company has now tied in six of its new horizontal wells to this facility with additional tie-ins expected to be completed in 2013. Ownership of this facility is expected to produce significant operating cost savings and production efficiencies at Michichi in 2013 and beyond.

Marquee's undeveloped land in the area now exceeds 110 net sections or 70,400 acres of primarily 100% owned and operated Crown lands, representing a significant inventory of economic drilling opportunities.

Lloydminster

Marquee drilled 5.0 (4.9 net) successful wells in Q4-2012, and has now drilled a total of 10 (net 9.9) successful wells since the acquisition of the property on March 15, 2012. The new wells targeted heavy oil, primarily in the Sparky formation with secondary targets in the Cummings, McLaren and General Petroleum formations.

Proved plus probable reserves increased by 18% to 1,965 Mboe, and proved reserves increase by 13% to1,044 Mboe in the 2012 year-end reserves report for Lloydminster.

In an effort to offset wide differentials the company has an arrangement to ship a portion of its Lloydminster heavy oil production by rail. The first volumes were shipped in February 2013 and it is expected that approximately 25% of its 2013 production will be delivered by rail. It is expected that the Company will realize an additional netback of $5/barrel for this oil.

Marquee expects to drill three wells at Lloydminster in the second half of 2013.

OUTLOOK

Marquee expects to invest almost 85% of its $25.8 million 2013 capital budget, announced on February 13, 2013, into its core Michichi area. The facilities upgrade which became operational on February 1, 2013 has resulted in expanded capacity for new gas, and reduced tie-in times on Q4-2012 and Q1-2013 capital activity resulting in accelerated cash flow from these activities.

The Company will continue to refine its selection of future locations as well as drilling and completion techniques. Knowledge gained from the 11 horizontal wells drilled to date at Michichi in combination with public well data will be used in conjunction with 2D and 3D data to plan all future horizontal wells.

Marquee's capital budget for 2013 includes:

- Completion and tie-in of the two horizontal wells spud in December, and seven additional horizontal wells in the Company's core Michichi area;
- Completion of the upgrade and expansion of the Marquee gas plant to allow recovery of NGL from the Mannville and Banff gas, improve tie-in times and reduce operating costs;
- Drill three wells at Lloydminster;
- Additional land and seismic data.

Marquee confirms its previously disclosed production guidance for 2013 based on this capital program is:

- Average 2,400 boe per day, weighted 64% oil and NGL;
- Exit 2,700 boe per day, weighted 65% oil and NGL

Management will continue to protect Marquee's balance sheet. The Company expects to continue to monetize non-core assets with proceeds being used to pay down debt and fund additional opportunities on core properties. The Company has protected approximately 45% of forecast 2013 oil production with WTI basis swaps at an average price of CAD$91.76, and 33% of its forecast 2013 natural gas production with a $3.40 per GJ AECO basis swap contract.

ABOUT MARQUEE

Marquee Energy Ltd. is a publicly traded Calgary-based growth oriented junior oil and gas company currently focused on high rate of return oil and liquids rich gas production in Alberta. Marquee intends to continue to grow the company organically and through strategic acquisitions in each of its core areas. Additional information about Marquee may be found in its continuous disclosure documents filed with Canadian securities regulators at www.sedar.com.

NON-GAAP MEASUREMENTS

This press release contains certain measures, including "funds flow from operations" that do not have standardized meaning as prescribed by IFRS and, therefore, are considered non-GAAP measures. Readers are cautioned that this press release should be read in conjunction with Marquee's disclosure under "Non-GAAP Measures" included at the end of the MD&A 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:

- *capital expenditures;*
- *business strategies and objectives;*
- *estimated reserve quantities and the discounted present value of future net cash flows from such reserves;*
- *petroleum and natural gas sales;*
- *future production levels (including the timing thereof) and rates of average annual production growth;*
- *exploration and development plans;*
- *acquisition and disposition plans and the timing thereof;*
- *operating and other expenses;*
- *royalty and income tax rates; and*
- *the timing of regulatory proceedings and approvals.*

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;*
- *future crude oil, natural gas liquids and natural gas prices; 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. The 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.

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.

Finding and development costs, including changes in future development costs have been calculated in accordance with NI 51-101. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year. Comparative information for the prior year is not presented as there were no reserve additions in 2011.