CALGARY, ALBERTA – March 9, 2015 – Chinook Energy Inc. ("our", "we", "us" or "Chinook") (TSX: CKE) is pleased to announce its audited year end financial results. The audited financial results presented herein are consistent with the unaudited financial results announced in our news release issued on February 9, 2015.

We will file the audited consolidated financial statements for the years ended December 31, 2014 and 2013 and related management's discussion and analysis on the SEDAR website (www.sedar.com) and our website (www.chinookenergyinc.com). Operational and financial highlights for the three months and year ended December 31, 2014 are noted below and should be read in conjunction with our audited consolidated financial statements and related management's discussion and analysis.

2014 Financial and Operating Highlights

	Three months ended December 31		**Year ended December 31**	
	2014	2013	**2014**	2013
CONTINUING CANADIAN OPERATIONS (2)				
Production Volumes				
Crude Oil (bbl/d)	**1,981**	1,840	**2,038**	1,713
Natural gas liquids (boe/d)	**778**	722	**779**	838
Natural gas (mcf/d)	**34,879**	32,287	**30,721**	34,125
Average daily production (boe/d)	**8,572**	7,943	**7,937**	8,238
Sales Prices				
Average oil price ($/bbl)	**$ 70.84**	$ 81.18	**$ 90.68**	$ 88.60
Average natural gas liquids price ($/boe)	**$ 48.05**	$ 63.74	**$ 65.02**	$ 59.72
Average natural gas price ($/mcf)	**$ 3.57**	$ 3.57	**$ 4.59**	$ 3.29
Netback (1)				
Average commodity pricing ($/boe)	**$ 35.26**	$ 39.09	**$ 47.44**	$ 38.13
Royalties ($/boe)	**$ (4.74)**	$ (4.80)	**$ (6.48)**	$ (4.39)
Net production expense ($/boe) (1)	**$ (18.89)**	$ (15.83)	**$ (17.61)**	$ (15.69)
G&A expense ($/boe)	**$ (4.26)**	$ (3.47)	**$ (4.83)**	$ (2.75)
Netback ($/boe) (1)	**$ 7.37**	$ 14.99	**$ 18.52**	$ 15.30
Wells Drilled (net)				
Oil	**1.62**	1.65	**6.14**	6.02
Gas	**0.83**	-	**2.70**	2.24
Disposal/injection	**-**	-	**0.37**	-
Total wells drilled (net)	**2.45**	1.65	**9.21**	8.26

	Three months ended December 31		Year ended December 31	
	2014	2013	**2014**	2013
FINANCIAL ($ thousands, except per share amounts)				
Petroleum & natural gas revenues, net of royalties	**$ 24,065**	$ 25,055	**$ 118,662**	$ 101,433
Funds from operations [(1)]	**$ 6,069**	$ 8,786	**$ 48,158**	$ 41,114
Per share - basic and diluted ($/share)	**$ 0.03**	$ 0.04	**$ 0.22**	$ 0.19
Net loss from continuing operations	**$ (58,311)**	$ (10,151)	**$ (50,672)**	$ (9,453)
Per share - basic and diluted ($/share)	**$ (0.27)**	$ (0.05)	**$ (0.24)**	$ (0.03)
Net loss [(3)]	**$ (60,348)**	$ (39,002)	**$ (38,400)**	$ (26,700)
Per share - basic and diluted ($/share)	**$ (0.28)**	$ (0.18)	**$ (0.18)**	$ (0.12)
Capital expenditures and business combination	**$ 39,671**	$ 9,854	**$ 96,584**	$ 42,586
Net debt (surplus) [(1)] [(4)]	**$ (28,788)**	$ 61,849	**$ (28,788)**	$ 61,849
Total assets [(4)]	**$ 434,318**	$ 555,341	**$ 434,318**	$ 555,341
Common Shares (thousands)				
Weighted average during period				
- basic	**215,081**	214,188	**214,601**	214,188
- diluted	**215,081**	214,188	**214,601**	214,188
Outstanding at period end	**215,082**	214,188	**215,082**	214,188

(1) Funds from operations, funds from operations per share, net debt (surplus), netback, and net production expense are non-IFRS measures. These terms do not have any standardized meanings as prescribed by IFRS and, therefore, may not be comparable with the calculations of similar measures presented by other companies. See headings entitled "Funds from Operations", "Net Debt (Surplus)", "Netback" and "Net Production Expense" in the Reader Advisory below for further information on such terms.

(2) "Continuing Canadian Operations" refers to our remaining Canadian operations in western Canada after completing the sale of our Tunisian operations on August 19, 2014.

(3) Includes the financial results from the Discontinued Tunisian Operations sold on August 19, 2014.

(4) The comparative periods include the Discontinued Tunisian Operations' assets or working capital excluding marked-to-market derivative contracts.

Highlights for the three months and year ended December 31, 2014

- Completed the disposition of our Tunisian operations, effective January 1, 2014, for gross proceeds of US$128.5 million on August 19, 2014.
- Repaid all outstanding balances drawn on our revolving credit facility and exited the year with a top quartile balance sheet and net surplus of $28.8 million.
- Renewed our revolving credit facility at $125 million.
- Established a new core area at Birley/Umbach in northeastern British Columbia and drilled three (2.25 net) and completed two (1.50 net) Montney horizontal wells where we now hold 65 gross (54 net) sections of Montney lands.
- Spent $96.6 million on capital expenditures in the year, including $16 million to acquire 25 additional sections of prospective Montney lands at Birley/Umbach and $16 million to acquire 1,200 boe/d and strategic area infrastructure at Birley/Umbach.
- Added 4.85 mmboe of proved plus probable reserves in core areas of Grande Prairie and Birley/Umbach and achieved lower all-in Finding, Development and Acquisition Costs (including Future Development Capital) of $14.82 per boe.
- Funds from operations for the year was $48.2 million, up 17% over the same period in 2013.
- Completed the disposition of non-core properties for net proceeds of $35.6 million, including a $28.1 million net disposition in the Gilby area of Alberta in December 2014.

2014 Financial Results

Upon completing the disposition of all of our Tunisia operations on August 19, 2014, our continuing operations are focused on resource growth opportunities in western Canada. The following financial and operational highlights relate to only our continuing operations.

Production in the fourth quarter of 2014 averaged 8,572 boe/d, up 8% from the same period in 2013 and up 17% from the third quarter of 2014. The increase is attributed to our focused development of liquids rich natural gas at Birley/Umbach and several crude oil properties in the Grande Prairie area along with the acquisition of certain natural gas assets in the Birley/Umbach area. Despite the increase in volumes from the comparative 2013 period, revenue was down almost 3% from the fourth quarter of 2013 as a result of weakening commodity prices.

Our full year net production expense (operating costs) increased by almost 8% to $51.0 million from $47.2 million in 2013 notwithstanding our year-over-year average production was 4% lower in 2014 from the comparative 2013 period. Production costs have increased as a result of a 19% increase in our crude oil volumes in 2014 which have higher production expenses due to increased trucking charges associated with water and emulsion handling. In addition, start-up costs associated with our Montney discoveries at Birley/Umbach and Gold Creek contributed to the increase in net production expenses in 2014. Our year-over-year netback increased by 21% in 2014 as compared to 2013 and decreased just over 50% in the fourth quarter of 2014 to $7.37/boe from $14.99/boe in the fourth quarter 2013 as result of a 10% decrease in realized commodity prices and a 19% increase in net production costs.

Funds from operations for the quarter decreased by 31% to $6.1 million compared to the same quarter in 2013 as a result of lower commodity prices, higher royalty, net production and G&A expenses. These decreases were offset by realized gains on our derivative contracts as a result of falling commodity prices and lower financing charges as a result of no outstanding debt and lower exploration expenses.

2014 Operational Results

We entered 2014 focused on transforming the company from a hybrid international and domestic producer with limited domestic scale to a pure play Montney growth story with multi-year drilling inventory and a best in class balance sheet. At this time last year, we had drilled our first Montney horizontal well at Birley/Umbach. The success of our first well at Birley/Umbach set the stage for our transformational 2014 and delineated a large portion of our now 65 gross (54 net) sections of Montney lands at Birley/Umbach. In addition to our Birley/Umbach program, we continued with the development of our Dunvegan crude oil assets at Albright/Beaverlodge to provide a more balanced commodity mix and proceeded with the delineation of our Montney acreage at Gold Creek with a second Montney well in 2014, drilled shortly after our first Birley/Umbach well, which resulted in a second Montney success in a new area where we hold 50 gross (35 net) sections of Montney lands.

We drilled a total of 15 wells (9.21 net) of which 10 (7.37 net) were operated and five (1.84 net) were non-operated with five wells (3.4 net) targeting the Montney. Of the three (2.25 net) horizontal Montney wells drilled at Birley/Umbach, two were completed in 2014 with the third awaiting completion. Initial production and test rates from the wells have performed above type curves which are based on average production results of nearby offsetting competitor wells drilled in the same zone. The current capacity at our Birley compressor is limited to approximately 9 mmcf/d and in early 2015 we completed the acquisition of long lead equipment and fabrication components to increase the capacity to 35 mmcf/d. In the Gold Creek area we drilled two (1.13 net) horizontal wells targeting the Montney and one (0.37 net) water disposal well. We anticipate receiving our water disposal permit in the first quarter of 2015 and expect operating costs associated with the water handling to decrease as a result.

Results from our Birley and Gold Creek wells are as follows:

Well	Working Interest (%)	Average Production Test Rate (boe/d)	Test Period (days)	Final Test Rate (boe/d)	IP30 (boe/d)	IP60 (boe/d)	IP90 (boe/d)
Birley A-60-K/94-H-03	74.55	805	6	1,290	702	712	733
Birley B-71-F/94-H-03	74.55	765	7	1,593	816	780	768
Birley B-72-F/94-H-03	74.55			Waiting on completion			
Gold Creek 100/16-30-067-03W6	37.28	1,480	7	1,500	1,030	947	858
Gold Creek 100/14-12-069-06W6	74.55	543	9	870	N/A	N/A	N/A

In the Grande Prairie area, we participated in the drilling of three (0.53 net) wells on our non-operated Karr property and drilled five (4.5 net) wells on our Albright/Beaverlodge property targeting established Dunvegan oil pools. On January 6, 2015, we completed the disposition of our working interests in the Karr property for gross proceeds of $40.9 million.

The rapid drop in commodity prices in late 2014 prompted us to defer certain projects and reduce our 2015 capital program from $135 million (announced October 29, 2014) to $45 million (announced January 19, 2015). However, the future growth potential for Chinook was established with our success at Birley/Umbach and Gold Creek. We entered 2014 with no Montney success to speak of and exited 2014 with a total Montney position of 115 gross (89 net) sections of prospective Montney lands and a multi-year drilling inventory over a newly established large scale resource.

Outlook

The recent decline in commodity prices will make 2015 a challenging year for many oil and gas companies. Notwithstanding our solid financial position and deep inventory of growth projects, we are not immune to these challenges in the near term. During this period of contraction we have embarked on a number of cost saving and optimization initiatives which include shutting-in lower netback production to reduce production expenses and, where warranted, renegotiate and retender service costs. Our guidance for 2015 includes the voluntary shut-in of approximately 500 boe/d of production in 2015. We are confident that these cost saving and optimization initiatives will prove effective in 2015. The transformation of Chinook to a Montney focused domestic company began in 2014. Our pace of Montney development will be prudently managed in 2015 to demonstrate growth from our Montney assets while maintaining a strong balance sheet.

Guidance for 2015 is being provided as follows:

($ millions, except boe/d)	2014 Actual	2015 Updated Guidance
Average production (boe/d)	7,937	6,600-7,000
Exit production (boe/d) (1)	8,000	6,800-7,100
General & administrative expenses	$14.0	$10.5-$11.0
Production & operating expenses	$56.3	$41.0-$43.0
Funds from operations	$48.2	$10.0-$11.0
Working capital surplus	$28.8	$34.0-$35.0
Capital expenditures	$96.6	$44.5

2015 pricing assumptions: Canadian crude oil of $54.03/bbl; Canadian natural gas of $3.19/mcf.

(1) 2014 exit production is net of production volumes associated with the Gilby disposition which closed on December 16, 2014.

About Chinook Energy Inc.

Chinook is a Calgary-based public oil and natural gas exploration and development company with multi-zone conventional production and resource plays in western Canada.

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Reader Advisory

Forward-Looking Statements

In the interest of providing our shareholders and readers with information regarding our company, including management's assessment of our future plans and operations, certain statements contained in this news release constitute forward-looking statements or information (collectively "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements are typically identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "could", "plan", "intend", "should", "believe", "outlook", "potential", "target" and similar words suggesting future events or future performance. In particular, this news release contains, without limitation, forward-looking statements pertaining to: the timing of the anticipated receipt of our water disposal permit in the Gold Creek area and our expectation regarding reduced operating costs associated with water handling as a result, our expectation of our future growth potential, our expectation that our cost saving and optimization initiatives will be effective in 2015, our budgeted capital program in fiscal 2015, future exploration and development activities and how we intend to manage our company during 2015 as well as our expectations regarding production, general and administrative costs, production and operating costs, funds flow, working capital surplus and capital expenditures set out in the table under the heading "Outlook".

With respect to the forward-looking statements contained in this news release, we have made assumptions regarding, among other things: that we will continue to conduct our operations in a manner consistent with past operations, future capital expenditure levels, future oil and natural gas prices, future oil and natural gas production levels, future currency, exchange and interest rates, our ability to obtain equipment in a timely manner to carry out exploration and development activities, the ability of the operator of the projects in which we have an interest in to operate in the field in a safe, efficient and effective manner, the impact of increasing competition, field production rates and decline rates, anticipated production volumes, our ability to replace and expand production and reserves through exploration and development activities, certain cost assumptions, the results of negotiations and the plans of our partners in certain of our areas; that the budgeted 2015 capital amount set forth herein, which is subject to the discretion of our Board of Directors, will not be amended in the future, and the continued availability of adequate debt and cash flow to fund our planned expenditures. Although we believe that the expectations reflected in the forward-looking statements contained in this news release, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this news release, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that predictions, forecasts, projections and other forward-looking statements will not occur, which may cause our actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices and currency fluctuations, our Board of Directors may amend the 2015 capital program based on its discretion; environmental risks, competition from other producers, inability to retain drilling rigs and other services, unanticipated increased or unforeseen capital expenditure costs, including drilling, completion and facilities costs, unexpected decline rates in wells, delays in projects and/or operations resulting from surface conditions, wells not performing as expected, delays resulting from or inability to obtain the required regulatory approvals and inability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Readers are cautioned that the forgoing list of factors is not exhaustive. Additional information on these and other factors that could affect our operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) and at our website (www.chinookenergyinc.com). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and we do not undertake any obligation to update publicly or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Netback

The reader is cautioned that this news release contains the term netback, which is not a recognized measure under IFRS and is calculated as a period's sales of petroleum and natural gas, net of royalties less net production and operating expenses and G&A expense as divided by the period's sales volumes. Management uses this measure to assist them in understanding our profitability relative to current commodity prices and it provides an analysis tool to benchmark changes in operational performance against prior periods and to peers on a comparable basis. Readers are cautioned, however, that this measure should not be construed as an alternative to other terms such as net income determined in accordance with IFRS as a measure of performance. Our method of calculating this measure may differ from other companies, and accordingly, it may not be comparable to measures used by other companies.

Net Production Expense

The reader is cautioned that this news release contains the term net production expense, which is not a recognized measure under IFRS and is calculated as production and operating expense less processing and gathering income. Management uses net production expense to determine the current periods' cash cost of operating expenses. Our method of calculating this measure may differ from other companies, and accordingly, it may not be comparable to measures used by other companies.

Funds from Operations

The reader is cautioned that this news release contains the term funds from operations, which is not a recognized measure under IFRS and is calculated as cash flow from continuing operations adjusted for changes in non-cash working capital related to continuing operations and decommissioning obligation expenditures related to continuing operations. Management believes that funds from operations is a key measure to assess our ability to finance capital expenditures and debt repayments. Readers are cautioned, however, that this measure should not be construed as an alternative to other terms such as cash flow from operating activities, net income or other measures of financial performance calculated in accordance with IFRS. Our method of calculating this measure may differ from other companies, and accordingly, it may not be comparable to measures used by other companies.

Net Debt (Surplus)

The reader is cautioned that this news release contains the term net debt, which is not a recognized measure under IFRS and is calculated as bank debt adjusted for working capital excluding mark-to-market derivative contracts. Working capital excluding mark-to-market derivative contracts is calculated as current assets less current liabilities both of which exclude derivative contracts and current liabilities excludes any current portion of debt. Management uses net debt (surplus) to assist them in understanding our liquidity at specific points in time. Mark-to-market derivative contracts are excluded from working capital, in addition to net debt (surplus), as management intends to hold each contract through to maturity of the contract's term as opposed to liquidating each contract's fair value or less.

Future Oriented Financial Information

This news release, in particular the information in respect of anticipated general and administrative costs, production and operating costs, funds flow, working capital surplus and capital expenditures set out in the table under the heading "Outlook", may contain Future Oriented Financial Information ("FOFI") within the meaning of applicable securities laws. The FOFI has been prepared by our management to provide an outlook of our activities and results and may not be appropriate for other purposes. The FOFI has been prepared based on a number of assumptions including the assumptions discussed under the heading "Forward-Looking Statements" and assumptions with respect to production rates and commodity prices. The actual results of our operations and the resulting financial results may vary from the amounts set forth herein, and such variations may be material. Our management believes that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments.

Initial Production Rates

Any references in this news release to initial, early and/or test production/performance rates (including IP30, IP60 or IP90) 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. Additionally, such rates may also include recovered “load oil” fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating our aggregate production. The initial production or test rate may be estimated based on other third party estimates or limited data available at this time. The initial production is generally estimated using boes. In all cases in this news release initial production or test rates are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons. Well-flow test result data should be considered to be preliminary until a pressure transient analysis and/or well-test interpretation has been carried out.

Barrels of Oil Equivalent

Barrels of oil equivalent (boe) is calculated using the conversion factor of 6 mcf (thousand cubic feet) of natural gas being equivalent to one barrel of oil. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl (barrel) 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.