



NEWS RELEASE

Chinook Energy Inc. Announces Amended Credit Facility

CALGARY, ALBERTA – June 22, 2015 – Chinook Energy Inc. (TSX: CKE) ("Chinook" or the "Company") today announced its amended credit facility following the completion of the semi-annual review of its facility by its bank syndicate. The amended credit facility provides a borrowing base of \$75 million, down from \$125 million, primarily as a result of significantly reduced commodity pricing and non-core asset dispositions. The credit facility is subject to re-determination on a semi-annual basis, with a maturity date of June 23, 2016, subject to further extension.

"The amended credit facility provides us with financial flexibility to accelerate the development of our existing core assets at Grande Prairie and Birley/Umbach and allows us to capitalize on consolidation/acquisition opportunities should they arise." said Walter Vrataric, President and Chief Executive Officer of Chinook. "The amended credit facility also allows us to realize costs savings related to a reduction in the associated stand-by fees."

Chinook is currently undrawn on its credit facility and exited the first quarter 2015 with a working capital surplus of \$48.6 million. The Company anticipates funding the remainder of its previously announced \$45 million capital program for 2015 through a combination of cash on hand and funds from operations and anticipates exiting 2015 undrawn on its credit facility and with an estimated working capital surplus of \$34 million.

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 shareholders and readers with information regarding the Company, including management's assessment of the Company's 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: how the Company anticipates funding the remainder of its \$45 million capital program for 2015 and that the Company anticipates exiting 2015 undrawn on its credit facility and with an estimated working capital surplus of \$34 million.

With respect to the forward-looking statements contained in this news release, the Company has made assumptions regarding, among other things: that it will continue to conduct its 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, its 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 it has 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, its ability to replace and expand production and reserves through exploration and development activities, certain cost assumptions, the results of negotiations and the plans of its partners in certain of its areas; that the budgeted 2015 capital amount set forth herein, which is subject to the discretion of the Board of Directors, will not be amended in the future, and the continued availability of adequate debt and cash flow to fund its planned expenditures. Although the Company believes 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 the Company's 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, the 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 the Company's 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 the Company's 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 the Company does 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.

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 the Company's 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. The Company's method of calculating this measure may differ from other companies, and accordingly, it may not be comparable to measures used by other companies.

Future Oriented Financial Information

This news release, in particular the information in respect of anticipated capital expenditures and future estimated working capital surplus, may contain Future Oriented Financial Information ("FOFI") within the meaning of applicable securities laws. The FOFI has been prepared by management to provide an outlook of the Company's 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 operations and the resulting financial results may vary from the amounts set forth herein, and such variations may be material. Management believes that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments.