ENERCAPITA

September 12, 2016

Enercapita Energy Ltd. Successfully Acquires 750 Boe/d of Low Decline, High Netback Assets in Core NW Alberta Operating Area

CALGARY, ALBERTA - Enercapita Energy Ltd. (“Enercapita”, the “Fund”, the “Company”) is pleased to announce that the Fund has successfully closed an acquisition to acquire 750 boe/d of low decline, predictable, low cost, operated, predominantly light oil and liquids production for cash consideration of $31.0 million. The acquisition brings Enercapita’s total production base to in excess of 3,000 boe/d. The acquired asset produces from multiple geological zones with significant oil and gas in place and low recovery factors. The assets have substantive upside including an inventory of low cost opportunities to increase production and reduce costs through optimization and exploitation, significant secondary recovery opportunity through water flood optimization and numerous low risk infill drilling locations. This acquisition continues the successful execution of our business plan to acquire proven high quality assets while remaining financially disciplined.

The acquisition was funded primarily with cash on hand and post acquisition the Company will have approximately $2.0 million in debt. The fund has significant liquidity with a proposed bank line of $25 million and expects to have no debt by the end of 2016. In addition, the Fund remains disciplined in protecting our cash flows and distributions through an ongoing hedging program.

This strong financial platform positions Enercapita well in this uncertain commodity price environment. Our conservative business model of acquiring proven, low decline production and concurrently hedging production has produced the desired cash flow and yield stability. This approach has protected our cash flow and balance sheet, while positioning the Fund to be opportunistic in adding high quality assets in this depressed commodity price environment.

Key Attributes of the Acquisition

- Current production of 750 boe/d - 70% light oil and liquids
- Low decline rate of approximately 10% with low risk, predictable production profile
- Low operating costs of $14.00 / bbl and royalties of 8%
- Strong netbacks of approximately $21.25 / boe based on West Texas Intermediate oil price of US$ 50.00 / bbl
- High working interest with 100% operatorship of the production
- Substantial forecasted production additions with minimal capital requirements
- Large original oil in place pools with expected improved recovery factors through water flood optimization
- Ownership and control of key facility infrastructure including a main oil battery, several satellite facilities and oil emulsion gathering system

Summary of Reserves and Acquisition Metrics:

Total Consideration	$31.0 million
Current Production	750 boe/d (70% oil/NGLs)
Proven Reserves (1)	3.3 MMboe
Proven NPV10 (2)	$36.2 million
Proved Plus Probable Reserves (1)	5.1 MMboe
Proved Plus Probable NPV10 (2)	$60.8 million
Proved Plus Probable Reserve Life Index	18.6 years
Cash flow netback (4)	$21.25/boe

The Acquisition metrics are as follows:

Current Production (3)	$41,333/boe/d
Proven Reserves	$9.40/boe
Proved plus Probable Reserves	$6.08/boe
Annualized Cash Flow (4)	$5.9 million/year

Notes :

(1) Based on independent engineering effective December 31, 2015
(2) Before tax net present value based on a 10 percent rate and GLJ December 31, 2015 price forecast
(3) Based on current production of 750 boe/d
(4) Based on $50.00 US WTI; 0.78 FX; $2.70 /GJ

Outlook

Since the Company's inception in February 2014, we have had considerable success - raising approximately $120 million in capital and deploying at historically attractive valuation metrics. In addition, we have formalized our team, secured a significant asset base and remain very well positioned financially with minimal bank debt. Based on forward commodity prices of $50.00 US West Texas Intermediate oil prices, Enercapita's annualized net operating income is forecasted to be approximately $19.0 million providing a highly resilient 2.0 x preferred unit interest coverage.

The decline in world oil prices is now approaching two years. During this time Enercapita has successfully emerged as a proven entity with ownership of high quality operated assets characterized by low decline, stable, predictable production which underpins our Company's free cash flow and yield. We remain disciplined in our core values of having a strong balance sheet and following a systematic hedge program to protect our cash flows ensuring we are in a position of strength at all times. As a result, we are well positioned in a lower commodity price environment and will be able to continue to acquire high quality assets. To the extent commodity prices rise as world oil fundamentals reach equilibrium, Enercapita will obviously benefit as our cash flow and valuation will continue to rise creating further opportunities for the Fund.

From a hedging perspective, the Company's cash flows remain well protected and are structured to provide further cash flow upside through costless collars and participating floor products. Currently Enercapita is 58% hedged for 2016 at an average floor hedge price of $C 60.46/bbl and $C 3.20/GJ and 53% hedged for 2017 at an average floor hedge price of $C 62.32/bbl and $C 3.16/GJ. In addition, we are hedged 46% in 2018 and 40% in 2019.

Our approach at Enercapita is unchanged. We remain fiscally disciplined. We steadfastly protect our balance sheet. We remain keenly focused on accretive transactions as we continue to aggregate a portfolio of high quality, long life, low decline producing assets as we focus on our mandate of maximizing free cash flow.

About Enercapita

Enercapita is an energy fund focused on the growth of long life, low decline, low cost, low risk energy assets through the exploitation and optimization of existing production. The fund is an RRSP eligible investment vehicle that streams the cash flow from its production directly to its investors on a priority basis.

http://www.enercapita.com/

Forward Looking Information

This news release may contain certain information that is forward looking and, by its nature, such forward-looking information is subject to important risks and uncertainties. The words "anticipate," "expect," "may" "should" "estimate," "project," "outlook," "forecast" or other similar words are used to identify such forward looking information. Those forward-looking statements herein made by Enercapita, if any, reflect Enercapita's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those anticipated or predicted in these forward-looking statements, and the differences may be material. Factors which could cause actual results or events to differ materially from current expectations include, among other things: risks associated with the ownership and operation of businesses, including fluctuations in interest rates; general economic conditions; supply and demand for businesses; competition for available businesses; changes in legislation and the regulatory environment; and international trade and global political conditions. Readers are cautioned not to place undue reliance on any forward-looking information contained in this news release (if any), which is given as of the date it is expressed herein. Enercapita undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise.