PETRUS RESOURCES LTD. ANNOUNCES SECOND QUARTER 2014 RESULTS AND PROVIDES OPERATIONS UPDATE

CALGARY, ALBERTA, Tuesday, August 12, 2014 – Petrus Resources Ltd. ("Petrus" or the "Company") is pleased to report its operating and financial results for the second quarter of 2014. Highlights include:

- Production averaged 4,959 boe per day in the quarter, up from 2,990 boe per day in the second quarter of 2013, an increase of 71% per debt-adjusted share. The operating netback was $32.55 per boe in the second quarter of 2014, compared to $31.94 per boe in the same period a year earlier.

- Production growth and strong netbacks drove growth in funds flow from operations per share. Petrus generated $13.3 million in funds flow from operations during the second quarter, more than one-and-a-half times the $8.1 million generated in the same period a year ago. On a debt-adjusted per share basis, second quarter year-over-year funds flow growth was 67%.

- Operating expenses decreased from $10.12 per boe to $9.29 per boe year over year. The decrease can partly be attributed to significant production growth in the Montney oil plays of Tangent and Berwyn and the activation of new water disposal facilities which reduced trucking costs.

- Over the three month period ended June 30, 2014, Petrus invested $9.3 million in exploration and acquisition activity, down from $13.7 million in the same period of 2013. At quarter end, Petrus had 169,646 net acres of undeveloped land, with a large inventory of oil and gas drilling locations in each of its core operating areas.

- During the quarter, Petrus closed a private placement of common shares in which 9,240,000 common shares were issued by way of a brokered private placement and 6,016,000 common shares and 115,000 flow-through shares were issued by way of a concurrent non-brokered private placement. Aggregate gross proceeds of $50,030,500 from the Offering were initially used to temporarily repay bank indebtedness and will subsequently be used to fund a portion of the Company's ongoing capital expenditures and for general corporate purposes.

- Petrus had 101.7 million common shares outstanding at June 30, 2014 and access to an undrawn $90.0 million credit facility. The Company ended the quarter with positive working capital. Subsequent to June 30, 2014 Petrus syndicated its credit facility and increased the total facility to $100 million.

- On July 21, 2014 Petrus entered into a pre-acquisition agreement pursuant to which Petrus will make an all-cash offer to acquire 100% of the issued and outstanding common shares of Arriva Energy Inc. Concurrent with the closing of the acquisition of Arriva, the Company's total credit facility, inclusive of the $20 million operating facility, will increase to $140 million. Petrus expects to close the Arriva acquisition in September at which time further transaction details will be provided.

- On July 31, 2014 Petrus entered into an agreement with an industry partner to acquire petroleum and natural gas assets in the Ferrier/Strachan area of Alberta. Petrus expects to close the acquisition in September at which time further transaction details will be provided.

SELECTED FINANCIAL INFORMATION

(000s) except per boe amounts	Three months ended Jun. 30, 2014	Three months ended Jun. 30, 2013	Three months ended Mar. 31, 2014	Three months ended Dec. 31, 2013	Three months ended Sep. 30, 2013
OPERATIONS					
Average Production					
Natural gas (mcf/d)	16,800	9,681	12,864	10,848	10,405
Oil (bbl/d)	2,012	1,300	2,134	1,778	1,373
NGLs (bbl/d)	147	76	95	72	54
Total (boe/d)	**4,959**	**2,990**	**4,373**	**3,658**	**3,162**
Total (boe)	**451,269**	**272,090**	**393,601**	**336,539**	**290,877**
Natural gas sales weighting	***56%***	***54%***	***49%***	***49%***	***55%***
Exit production (boe/d)	***4,836***	***3,065***	***4,641***	***4,052***	***3,235***
Exit natural gas sales weighting	***55%***	***53%***	***57%***	***54%***	***53%***
Realized Sales Prices					
Natural gas ($/mcf)	5.21	3.60	6.03	3.78	2.54
Oil ($/bbl)	100.20	88.13	94.13	77.83	93.93
NGLs ($/bbl)	37.60	45.37	60.91	65.17	67.20
Total ($/boe)	59.42	51.14	64.99	50.33	50.31
Hedging gain (loss) ($/boe)	(3.32)	(0.55)	(3.64)	(1.21)	(1.46)
Operating Netback ($/boe)					
Effective price	56.10	50.59	61.35	49.12	48.85
Royalty revenue [(1)]	0.67	0.57	0.73	0.46	0.56
Royalty expense [(1)]	(12.76)	(7.39)	(13.69)	(7.05)	(8.02)
Operating expense	(9.29)	(10.12)	(9.47)	(9.88)	(8.46)
Transportation expense	(2.17)	(1.71)	(2.21)	(1.61)	(2.19)
Operating netback [(3)] ($/boe)	**32.55**	**31.94**	**36.71**	**31.04**	**30.74**
G & A expense	(1.77)	(1.57)	(1.61)	(1.73)	(1.96)
Net interest expense [(2)]	(1.36)	(0.79)	(0.85)	(0.75)	(0.74)
Corporate netback [(3)] ($/boe)	**29.42**	**29.58**	**34.25**	**28.56**	**28.04**
FINANCIAL ($000s except per share)					
Oil and natural gas revenue [(1)]	26,815	14,093	25,581	17,094	14,741
Funds flow from operations [(3)]	13,278	8,048	13,482	9,320	8,157
Funds flow from operations per share [(3)]	0.15	0.09	0.16	0.11	0.09
Net income	5,505	4,010	2,208	2,086	2,171
Net income per share	0.06	0.05	0.03	0.02	0.03
Capital expenditures	9,275	15,416	23,930	9,736	14,166
Net acquisitions (dispositions)	—	(1,701)	19,113	—	—
Common shares outstanding	101,748	86,362	86,377	86,377	86,377
Weighted average shares	91,106	86,349	86,377	86,377	86,369
As at quarter end ($000s)					
Working capital (deficit)	415	(15,756)	(51,638)	(22,288)	(21,558)
Bank debt outstanding	—	20,968	51,901	23,380	17,966
Bank debt available[(4)]	90,000	39,032	38,099	36,620	42,034
Shareholder's equity	213,508	151,034	158,655	156,002	153,857
Total assets	259,110	199,508	257,245	211,952	201,208

(1) The Company re-classified gross overriding royalty expense from oil and natural gas revenue to royalty expenses in the Statement of Net Income and Comprehensive Income. The comparative information has been re-classified to conform to current presentation.
(2) Interest expense is presented net of interest income.
(3) Non-IFRS measures defined on pages 4 and 5 of the MD&A for the period ended June 30, 2014.
(4)Subsequent to June 30, 2014 the Company's bank debt available increased to $100 million.

OPERATIONS UPDATE

Foothills

In the Company's foothills operating area, second quarter production was lower than expected as a result of spring weather conditions and facility turnaround activities. In Cordel, certain production facilities were down one week for facility maintenance and in Tower Creek, a significant third party facility was down for the month of June in order to conduct plant turnaround operations. The shut in production is currently back on stream and no further operational restrictions are anticipated.

Three wells (0.7 net) were drilled in the Cordel area during the second quarter of 2014. Each well had test production rates in line with expectations. The first well drilled during the second quarter (28% working interest) targeted Cardium oil and tested at a three week stabilized flow of approximately 70 bbl per day of light oil, which will be tied into production facilities in the third quarter. The second well drilled during the quarter (20% working interest) is the first of a multi-well pad and targeted Cardium oil. Initial flow rates over a 48 hour period exceeded 600 boe per day (99% light oil); the well is awaiting pipeline construction which will commence once drilling on the multi-well pad is complete. The third well drilled during the second quarter (18% working interest) was a horizontal natural gas well targeting the Mannville channel. It flow tested over a 48 hour period at a rate of 12 mmcf per day with 190 bbl per day of condensate and came on production in late June at 1,000 boe per day (90% natural gas) due to facility constraints.

The Mannville project was considered a highly successful demonstration of concept. Petrus operates and is a majority working interest owner in a similar Mannville structure throughout its entire Foothills acreage and is encouraged by the information obtained from this result. In addition, Petrus recently committed to a farm in opportunity on adjoining acreage to further add to its upside potential in this prospective play.

Petrus is currently participating in two Cardium oil drilling locations (0.3 net) in Cordel. The results will be determined later in the third quarter.

In Brown Creek Petrus has initiated drilling of the first Cardium oil well of a two well farm-in with an industry partner. A summer drilling program operated by Petrus will drill a total of two to three wells in Brown Creek and two to five wells on other foothills land owned by Petrus. The program will target Cardium oil as well as Cardium, Notikewin, Belly River and Mannville gas zones.

Peace River

In the Company's Peace River operating area, one of the Company's unitized facilities underwent a plant turnaround which resulted in production downtime for one week. Certain Tangent production was shut in during the quarter as a result of flooded road conditions which restricted access.

Two oil batteries with water disposal capabilities are now fully operational at Tangent and Berwyn contributing to reduced operating costs and increased runtime. Petrus is evaluating the economics of a pilot waterflood in each of Tangent and Berwyn and has commenced water injection operations in Berwyn. The Company believes the waterflood will ultimately improve Montney oil recoveries, based on offset pools in the area.

Petrus has kicked off a seven to ten well summer drilling program in Peace River targeting Montney oil. Initial test rates for the first three wells have exceeded expectation and Petrus expects to tie in the incremental production during the third quarter.

ABOUT PETRUS

Petrus is a private Canadian oil and gas company focused on property exploitation, strategic acquisitions and risk-managed exploration in Alberta. Petrus is a return-driven company that is focused on delivering per share growth.

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READER ADVISORIES

This press release contains forward-looking statements. More particularly, this press release contains statements concerning Petrus' commodity weighting, plans related to drilling and other operations, commodity focus, commodity pricing, drilling locations, production rates, the expected ability of Petrus to execute on its exploration and development program and Petrus' anticipated production (both in terms of quantity and raw attributes) cash flow, operating netbacks, planned operations and the timing thereof, evaluation of completed operations, capital budget and capital expenditure program, the availability of opportunities and other similar matters. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Petrus, including: (i) with respect to capital expenditures, generally, and at particular locations, the availability of adequate and secure sources of funding for Petrus' proposed capital expenditure program and the availability of appropriate opportunities to deploy capital; (ii) with respect to drilling plans, the availability of drilling rigs, expectations and assumptions concerning the success of future drilling and development activities and prevailing commodity prices; (iii) with respect to Petrus' ability to execute on *its exploration and development program, the performance of Petrus' personnel, the availability of capital and prevailing commodity prices; and (iv) with respect to anticipated production, the ability to drill and operate wells on an economic basis, the performance of new and existing wells and accounting risks typically associated with oil and gas exploration and production; (v) oil and gas prices; (vi) currency exchange rates; (vii) royalty rates; (viii) operating costs; (ix) transportation costs; and (x) the availability of opportunities to deploy capital effectively. Although Petrus believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Petrus can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures). Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.*

The forward-looking statements contained in this document are made as of the date hereof and Petrus undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

Any references in this news release to initial, early and/or test or production/performance rates or data related thereto are useful in confirming the presence of hydrocarbons, however, such rates or data are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates may be estimated based on other third party estimates or limited data available at this time. In all cases in this press release such rates not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one boe (6 mcf/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. All boe conversions in this report are derived from converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil. 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. The forward-looking statements contained in this document are made as of the date hereof and Petrus undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

"Funds from operations" should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with International Financial Reporting Standards as an indicator of Petrus' performance. "Funds from operations" represents cash flow from operating activities prior to changes in non-cash working capital, transaction costs and decommissioning provision expenditures incurred. Petrus also presents funds from operations per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of earnings per share.