

News Release

For Immediate Release

TANAGER ENERGY PROVIDES U.S. OPERATIONS UPDATE

August 15, 2016 - Calgary, Alberta – Tanager Energy Inc. (“**Tanager**” or the “**Corporation**”) (TSX-V: TAN) announced today that Tanager has successfully tested the Paleo Oil Company Cain-Carter #1 well, an asset acquired in its recent Polk County, Texas transaction. Originally completed in 1986 in the lower Woodbine formation, the well has not been capable of continuous daily production in over a decade. After performing preliminary remedial work on the well to remove blockage, the well flowed at an initial rate of 3,440 mcf gas per day and 4 barrels of oil per hour. The well stabilized after over 30 hours of testing at 530 mcf gas per day and 12-14 barrels of oil per day. Paleo Oil Company LLC (“**Paleo**”), the operator of the well and Tanager’s joint venture partner in the project, is currently negotiating terms for a pipeline connection so that the well may be continuously produced and begin selling gas.

The joint venture (“**JV**”) is also in the process of designing an appropriate work over and fracture stimulation program for the well in an effort to further improve the production rate from the Cain-Carter #1. The Cain-Carter #1 leasehold is the heart of the JV’s Woodbine lease area, and adjoins acreage on which a recent significant Woodbine discovery well was drilled by Vision Resources LLC and Pantheon Resources LLC. Pantheon Resources LLC is an AIM-listed company traded on the London Exchange under the symbol “PANR”.

Reserves attributable to the Cain-Carter #1 well were previously reported in the Corporation’s June 8, 2016 news release in the category of “Developed Non-Producing” reserves. The Corporation will re-assess the reserve potential of the well based on the improved test and pressure data it has now acquired.

Tanager is also pleased to report that leasing is complete for its first shallow Yegua formation test well. The Corporation will provide an operational update after plans for drilling the initial Yegua well are finalized.

Thomas M. Crain, Jr., Interim Chairman of the Board and Chief Executive Officer of Tanager stated: “We are pleased that the Cain-Carter #1 well reserves may soon be moving from the non-producing category to the producing category. Once tied into the sales pipeline, the Cain-Carter #1 will provide additional cash flow for Tanager while we design an appropriate stimulation program to further improve the well. Tanager’s Polk County, Texas venture is progressing as planned, with leasing complete and drilling plans being finalized for its first shallow Yegua well.”

Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Tanager Energy Inc. is a Calgary, Alberta based corporation engaged in the exploration of oil and gas and minerals with its operations office in Calgary, Alberta. The Corporation’s common shares are listed on the TSX Venture Exchange under the trading symbol “TAN”.

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Forward-Looking Information: This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “proposed”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this news release contains forward-looking information regarding: the business of Tanager. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects Tanager’s current beliefs and is based on information currently available to Tanager and on assumptions Tanager believes are reasonable. These assumptions include, but are not limited to: market acceptance and approvals, and future costs and expenses being based on historical costs and expenses.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Tanager to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; geological, technical, drilling and processing problems; general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; competition; changes in legislation, including environmental legislation, affecting Tanager; the timing and availability of external financing on acceptable terms; and lack of qualified, skilled labour or loss of key individuals. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in Tanager’s disclosure documents on the SEDAR website at www.sedar.com. Although Tanager has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement. The forward-looking information contained in this news release represents the expectations of Tanager as of the date of this news release and, accordingly, is subject to change after such date. However, Tanager expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.