

ROOSTER ENERGY ENTERS INTO THIRD AMENDMENT TO NOTE PURCHASE AGREEMENT WITH HOLDERS OF SENIOR SECURED NOTES

CALGARY, ALBERTA (March 13, 2017) ROOSTER ENERGY LTD. (or the “Company”) (www.roosterenergy.com) (TSXV: COQ) today announces that on March 10, 2017 it entered into effective as of January 31, 2017, the Third Amendment to the Amended and Restated Note Purchase Agreement dated as of November 17, 2014, as amended and restated as of June 25, 2015 (the “NPA”) with the holders of the senior secured notes (the “Notes”) issued pursuant to the NPA. The Notes are secured by a first priority security interest, lien and mortgage on all of the assets of the Company. As previously reported, the Company received a notice of default for non-compliance with certain covenants of the Second Amendment and that it was operating under a waiver of same that expired on December 31, 2016. Subsequently, the Company and holders entered into a Limited Forbearance and Reservation of Rights Agreement (the “Forbearance Agreement”) whereby the holders agreed to forbear from exercising certain of their rights and remedies under the Second Amendment during a standstill period. The Forbearance Agreement and standstill period established therein terminated on March 3, 2017.

The holders have refused to amend the Forbearance Agreement and/or extend the standstill period while negotiations continue to restructure the terms and conditions of the Second Amendment and the Company’s obligations thereunder. However, pursuant to the Third Amendment, if an acceptable restructuring agreement is reached prior to March 24, 2017 then the holders will waive the additional interest at 8% per annum payable in kind and a forbearance fee payable in kind in an amount equal to 50 basis points of the aggregate principal amount of the Notes that the Company became obligated to pay at termination of the Forbearance Agreement. Additionally, in the Third Amendment, the holders also agreed to extend until March 24, 2017 each of the dates for payment of the applicable interest due on the Notes that was due and payable on January 31, 2017 and February 28, 2017 and which the Company refused to pay. No other defaults by the Company have been waived or cured by the Third Amendment.

The Company is and continues to conduct business as usual and also continues in negotiations with the holders to restructure the terms and conditions of the Second Amendment and its obligations thereunder. However, the holders of the Notes may exercise their remedies against the Company at any time since there is no forbearance agreement in place. In that event, or if the Company is ultimately unable to restructure the financial and performance covenants of the credit facility, then the Company would in all likelihood seek relief under applicable bankruptcy or reorganization laws to preserve the going concern value of the Company.

ABOUT ROOSTER ENERGY LTD.

Rooster Energy Ltd. is a Houston, Texas, based vertically integrated oil and gas production company combined with a well service intervention/plugging and abandonment subsidiary focused in the shallow waters of the U.S. Gulf of Mexico. Our primary business is a service company whose assets consist of rigless well plugging and abandonment/intervention units and our oil and gas assets consist of producing oil and gas wells located on US federal oil and gas leases. Investors are welcome to visit our website at www.roosterenergyltd.com or contact the following for all corporate updates and investor inquiries:

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Forward Looking Information and Statements

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Financial outlook information contained in this press release about the Company's prospective cash flows and/or financial position is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Readers are cautioned that any such financial outlook information contained herein should not be used for purposes other than for which it is disclosed herein.

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