NEWS RELEASE

EAGLE ENERGY™ INC.

FOR IMMEDIATE RELEASE

Eagle Energy Inc. Announces North Texas Drilling Update, Cost Reductions and Amendment to Loan Agreement

Calgary, Alberta - September 29, 2017 (TSX: EGL): Eagle Energy Inc. ("**Eagle**") is pleased to update its shareholders regarding operations and ongoing cost reduction initiatives, as well as to announce a proactive amendment to its loan agreement. Eagle has worked with its lender to relax one of its four financial covenant thresholds in recognition of prevailing low oil prices. As a result, Eagle expects to be onside with all its financial covenants at September 30, 2017 without any need for waivers.

Operations and Cost Reduction Initiatives Update

Wayne Wisniewski, Eagle's Chief Executive Officer, stated, "Eagle's first horizontal well in our North Texas asset has been successfully drilled. Approximately 4,100 feet was drilled laterally and while still early days, sand quality appeared as good, or better than expected along the lateral length. With the frack services market especially tight for companies our size, I am pleased we were able to schedule a frack with a reputable pressure pumping company for the mid-to-late October timeframe. Once fracking operations are complete, we intend to test the well immediately."

Mr. Wisniewski continued, "Further to our announcement on August 10, 2017, Eagle continues to make strides in reducing general and administrative costs. We negotiated a new Houston office lease which will take effect in early 2018. At this new location, Eagle will reduce its floor space by 20%, reduce its 2018 annual rent by 60%, or $US 170,000, and realize average annual savings of 30% when compared to the terms of our current office lease."

Summary of the Loan Agreement Amendment

The following summarizes the amendment to the loan agreement between Eagle and its lender (the "**Loan Agreement**"):

- **Financial covenants -** Of the four financial covenants in the Loan Agreement, the Consolidated Current Ratio, the Asset Coverage Ratio and the Consolidated Leverage Ratio remain unchanged. The covenant threshold for the Consolidated Fixed Charge Ratio has been eased by 10%, commencing with the quarter ending September 30, 2017 *(as indicated in italics below):*

  Consolidated Fixed Charge Ratio

  As at the end of each fiscal quarter, Eagle is to maintain a Consolidated Fixed Charge Ratio of not less than *2.25 to 1.00 (prior to this amendment, the ratio for September 30, 2017 and subsequent quarters was 2.50 to 1.00).*

- **Additional Deemed Term Loan Draw -** As consideration for the amendment, Eagle is deemed to have drawn an additional $US 718,750 on the term loan, bringing the total principal balance of the term loan outstanding under the Loan Agreement to $US 58,218,750 *(prior to this amendment, the balance outstanding was $US 57,500,000.)*

A copy of the Loan Agreement and the amendments thereto can be found under Eagle's issuer profile on SEDAR at www.sedar.com.

The financial covenant ratios described above are non-IFRS financial measures. Refer to the section below titled "Advisories - Non-IFRS Financial Measures".

About Eagle Energy Inc.

Eagle is an oil and gas corporation with shares listed for trading on the Toronto Stock Exchange under the symbol "EGL".

All material information about Eagle may be found on its website at www.EagleEnergy.com or under Eagle's issuer profile at www.sedar.com.

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Advisories

Non-IFRS Financial Measures

Statements throughout this news release make reference to the terms listed below, which are non-IFRS financial measures that do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other issuers. These terms are used for purposes of covenant calculations in the Loan Agreement.

"**Asset Coverage Ratio**" is defined in the Loan Agreement as the ratio of the PDP PV10 reserves value (using prices quoted on NYMEX) to the aggregate principal balance outstanding under the term loan.

"**Consolidated Current Ratio**" is defined in the Loan Agreement as the ratio of Consolidated Current Assets to Consolidated Current Liabilities, but, in each case, excluding any risk management assets or risk management liabilities that are classified as current.

"**Consolidated Fixed Charge Ratio**" for the fiscal quarter is defined in the Loan Agreement as the ratio that (i) Consolidated Adjusted EBITDAX plus (ii) income tax payments minus (iii) maintenance capital expenditures associated with proved developed producing reserves is to interest expense (each for the fiscal quarter).

"**Consolidated Leverage Ratio**" is defined in the Loan Agreement as the ratio of Consolidated Funded Debt to Consolidated Adjusted EBITDAX for the trailing four fiscal quarters. Notwithstanding the foregoing, for the purposes of determining the Consolidated Leverage Ratio, (i) Consolidated Adjusted EBITDAX for the four fiscal quarter period ending June 30, 2017, shall be deemed equal to Consolidated Adjusted EBITDAX for the fiscal quarter ending June 30, 2017 multiplied by 4, (ii) Consolidated Adjusted EBITDAX for the four fiscal quarter period ending on September 30, 2017 shall be deemed equal to Consolidated Adjusted EBITDAX for the two fiscal quarter period then ending multiplied by 2 and (iii) Consolidated Adjusted EBITDAX for the four fiscal quarter period ending on December 31, 2017 shall be deemed equal to Consolidated Adjusted EBITDAX for the three fiscal quarter period then ending multiplied by 4/3. Consolidated Adjusted EBITDAX is generally defined as net income before interest, taxes, depreciation, depletion, amortization or other expenses, gains or losses that do not represent a cash item in such period.

Note about Forward-Looking Statements

Certain of the statements made and information contained in this news release are forward-looking statements and forward-looking information (collectively referred to as "**forward-looking statements**") within the meaning of Canadian securities laws. All statements other than statements of historic fact are forward-looking statements. Eagle cautions investors that important factors could cause Eagle's actual results to differ materially from those projected, or set out, in any forward-looking statements included in this news release.

In particular, and without limitation, this news release contains forward-looking statements pertaining to planned fracking operations and testing of Eagle's North Texas horizontal well, new Houston office lease and the financial impact of that lease, amendments to the Loan Agreement, Eagle's expectation that it will be onside with all its financial covenants at September 30, 2017 without any need for waivers.

With respect to forward-looking statements contained in this news release, assumptions have been made regarding, among other things, future crude oil, NGL and natural gas prices, differentials and weighting; future foreign exchange rates; future capital expenditures and the ability of Eagle to obtain financing or refinancing on acceptable terms; Eagle's 2017 capital budget, which is subject to change in light of ongoing results, prevailing economic circumstances, commodity prices and industry conditions and regulations; future production estimates, which are based on the proposed drilling program with a success rate that, in turn, is based upon historical drilling success and an evaluation of the particular wells to be drilled, among other things; and projected operating costs, which are based on historical information and anticipated changes of the cost of equipment and services, among other things.

Eagle's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and those in Eagle's Annual Information Form dated March 16, 2017 (the "**AIF**"): volatility of crude oil, NGL and natural gas prices; commodity supply and demand; fluctuations in foreign exchange and interest rates; inherent risks and changes in costs associated in the development of petroleum properties; ultimate recoverability of reserves; timing, results and costs of drilling and production activities; availability of financing and capital; and new regulations and legislation that apply to Eagle and the operations of its subsidiaries. Additional risks and uncertainties affecting Eagle are contained in the AIF under the heading "Risk Factors".

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. Although management believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date the forward-looking statements were made, there can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will in fact be realized. Actual results will differ, and the difference may be material and adverse to Eagle and its shareholders. These statements speak only as of the date of this news release and may not be appropriate for other purposes. Eagle does not undertake any obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise.