PetroShale Inc. Announces Key Executive and Board Appointments, Provides Operational Update and Secures Financing

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CALGARY, ALBERTA -- (Marketwired - Nov. 25, 2013) - PetroShale Inc. ("PetroShale" or the "Company") (TSX VENTURE:PSH) announces key executive appointments and changes to its Board of Directors, effective immediately. These appointments add significant depth to PetroShale's team, and further advance the Company's execution of its renewed growth strategy.

Calgary-Based Executive Appointments

M. Bruce Chernoff, P.Eng. - Executive Chairman and CEO. Mr. Chernoff has over 25 years of hands-on experience as an oil and gas entrepreneur, financing and building energy companies. Mr. Chernoff is the President of Caribou Capital Corp., a private investment company, and serves as a director of several public and private entities.

David Rain, CA - CFO. Mr. Rain has served as the CFO of Caribou Capital Corp. since its inception in 1999, and has over 25 years of experience in corporate finance primarily in the oil and gas and investment industries.

Mr. Chernoff and Mr. Rain have been involved in a number of successful oil and gas ventures, which included acquiring and developing properties, completing debt and equity financings in Canada and the U.S., and building organizations of a significant size. Notably, Mr. Chernoff and Mr. Rain were founders of Harvest Energy Trust in 2002, where Mr. Chernoff was Chairman and Mr. Rain was CFO, which grew to approximately 64,000 boe/day of production and was sold to the Korean National Oil Company in 2009 for $4.1 billion. Mr. Chernoff was also a co-founder and Executive VP of Pacalta Resources Ltd. which was sold to Alberta Energy Company, now EnCana Corp., for $1billion in 1999.

Tony Izzo - Vice President, Business Development. Mr. Izzo has more than 25 years of combined engineering, operations and management experience in the oil and gas industry. He brings a strong technical background with specific expertise in the evaluation, acquisition and operation of oil and gas properties. Mr. Izzo has been involved in the start-up of new oil and gas entities as well as serving in senior technical and management positions in a number of junior and large oil and gas companies.

John Fair, President of PetroShale (U.S.) Inc. will continue to play an integral role in the growth and evolution of the Company. Mr. Fair is based in PetroShale's Denver office, which facilitates access to acquisition opportunities, as well as strong local relationships.

Board of Directors and Corporate Secretary Changes

Ken McCagherty, P. Eng. - appointed to the Board of Directors. Mr. McCagherty is President and CEO of Westbrick Energy Ltd., a KKR-sponsored private oil and gas company with operations in Western Canada.

He was previously President and CEO of West Energy Ltd., a TSX listed company founded in 2003 and sold in 2010 for $575 million. Mr. McCagherty is a Professional Engineer with over 30 years of experience in the domestic and international upstream energy business.

Brett Herman (President and CEO of TORC Oil & Gas Ltd.) and Jacob Roorda (Managing Director, Windward Capital Ltd., Director of Angle Energy, Inc.) will continue as directors of the Company. John Hagg has resigned as a director and PetroShale wishes to thank him for his valued service and contribution.

Ms. Nicole Bacsalmasi, of Burnet Duckworth & Palmer, LLP has been appointed as Corporate Secretary. PetroShale wishes to thank Bryce Tingle for his valued contribution as Corporate Secretary and in the formation of the Company.

The Company also wishes to express its appreciation to James Fair as interim President and CEO of

PetroShale and Tristan Farel as Chief Financial Officer. Mr. Fair will remain as a director of PetroShale.

In concert with the appointments above, PetroShale has issued an aggregate of 828,264 stock options to insiders at an average exercise price of $0.70 per share, representing the closing price on November 22, 2013.

Growth Strategy & Operational Update

PetroShale is a growing oil company committed to value creation by identifying and consolidating interests in the prolific, multi-zone Williston Basin in North Dakota and Montana. Through a strategic relationship with Denver-based Slawson Exploration Company, Inc. (SECI), a division of Slawson Companies, PetroShale seeks to leverage SECI's operating expertise to effectively and efficiently exploit this high-impact resource. PetroShale manages its risk and capital exposure by acquiring working interests in fields being developed by large, experienced and capable operators who employ leading-edge technologies to maximize production, optimize ultimate recoveries and enhance rates of return.

Over the past 12 months, the Company has been focused on refining and executing this strategy and has successfully assembled 3 projects, Melbby, Stockyard Creek and MJ/Angus. In Melbby, the Company has working interests in 48 producing wells. At Stockyard Creek, the Company is currently drilling and has an average working interest of 5.5% in 1,920 gross acres (106 net). At MJ/Angus, the Company has an average 0.5% working interest in 19,200 gross acres (102 net), where a recently drilled second bench Three Forks well (2.5% working interest) has yielded strong initial production rates. The Company plans to complete an additional 3 gross wells (0.2 net) before the end of calendar 2013 in Stockyard Creek, and has permitted a further 13 gross drilling locations (0.7 net) in that area.

PetroShale's current production is approximately 150 boe/day (85% oil weighted), with a number of additional wells expected to be brought on to production in the quarter ended December 31, 2013. As at June 30, 2013, the Company's proved plus probable reserves totaled 373 mboe with a net present value (discounted at 10%) of $9.0 million.

The current projects described above collectively provide PetroShale with a stable base of production, near term operational catalysts and longer term growth. The Company intends to pursue additional acquisitions with similar characteristics to complement and expand this portfolio.

Revolving Acquisition Facility

To provide PetroShale with access to incremental capital for the continued advancement of its growth strategy, development of its existing assets, as well as flexibility to pursue additional opportunities, the Company secured a $20.0 million revolving acquisition facility provided by entities controlled by M. Bruce Chernoff and Todd Slawson, who own 45% of the outstanding voting common shares, and 100% of the outstanding non-voting common shares of the Company, respectively. The acquisition facility bears interest at 12% per annum, has a commitment fee of 2.5%, and is secured by the assets of the Company, subject to subordination to the Company's existing $50 million revolving line of credit. The acquisition facility will replace the existing $2.1 million note payable to an entity controlled by Mr. Slawson.

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

Note Regarding Forward-Looking Statements and Other Advisories

Reserve data presented in this press release is taken from the report of Netherland, Sewell & Associates, Inc. (NSAI) dated September 10, 2013 evaluating the crude oil, natural gas and natural gas liquids reserves attributable to PetroShales's oil and natural gas assets located in Montana and North Dakota as at June 30, 2013 and the report of Jim McIntosh Petroleum Engineering Ltd. (McIntosh) dated September 4, 2013 evaluating the crude oil, natural gas and natural gas liquids reserves attributable to PetroShale's properties located in Ontario as at June 30, 2013. The reports are prepared in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities and the Canadian Oil and Gas Evaluation Handbook. The estimates of reserves and future net revenue for individual properties contained in this press release may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. It should not be assumed that the discounted future revenue estimated by NSAI and McIntosh represent the fair market value of the reserves. Company interest means, in relation to the Company's interest in production and reserves, the Company's working interest (operating *and non-operating) before the deduction of royalties payable and including such entity's royalty interest in production and reserves.*

This press release contains forward-looking statements and forward-looking information (collectively "forward- looking information") within the meaning of applicable securities laws relating to the Company's plans and other aspects of management focus, objectives, strategies and business opportunities. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. The forward-looking information is based on certain key expectations and assumptions made by the Company's management, including expectations and assumptions concerning prevailing commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; future production rates and estimates of operating costs; performance of existing and future wells; reserve and resource volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labor and services; the impact of increasing competition; ability to market oil and natural gas successfully; the Company's ability to access capital, ad obtaining the necessary regulatory approvals.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward- looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward- looking information will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide security holders with a more complete perspective on the Company's future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect our operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). These forward-looking statements are made as of the date of this press release and the Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Where amounts are expressed on a barrel of oil equivalent ("boe") basis, natural gas volumes have been converted to boe using a ratio of 6,000 cubic feet of natural gas to one barrel of oil (6 Mcf: 1 Bbl). This boe conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given 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 Mcf: 1 Bbl, utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.

Where volumes of reserves and production have been presented, they have been presented as company working interest, gross of royalties.

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