

VANCOUVER, May 2, 2017 /CNW/ - [Renaissance Oil Corp.](#) ("Renaissance" or the "Company") (TSX-V:ROE) today reported its fourth quarter and full year 2016 results. All dollar figures are Canadian dollars unless otherwise noted.

HIGHLIGHTS

- Achieved growth strategy of becoming first independent operator of oil and gas production in Mexico in 78 years;
- Renaissance commenced production of crude oil and natural gas on May 10, 2016 and recorded \$13.1 million in revenue for the year;
- Operating costs declined by 39% in the fourth quarter to \$4.33 per Boe from \$7.05 per Boe in the third quarter of 2016;
- Net income of \$71,627 in the fourth quarter compared to a loss of \$336,853 in third quarter and a loss \$5.5 million in the fourth quarter of 2015;
- Renegotiated commercialization contracts to increase sales prices of crude oil and natural gas; and
- Submitted and subsequently received approval for appraisal and development plans for the drilling of new wells and workovers on existing wells in Chiapas, Mexico.

	Three Months Ended		Year Ended	
	Dec 31, 2016	Sept 30, 2016	Jun 30, 2016	2016
Production				
Crude Oil (Bbl/d)	639	744	754	705
Condensate (Bbl/d)	-	11	28	10
Natural Gas (Mcf/d)	5,869	5,709	5,788	5,789
Total (Boe/d)	1,618	1,706	1,747	1,680
Prices				
Crude Oil (\$/Bbl)	50.04	48.25	58.91	51.64
Condensate (\$/Bbl)	-	32.60	29.21	30.74
Natural Gas (\$/Mcf)	2.95	3.28	3.48	3.21
Revenue:				
	\$ 4,599,044	\$ 5,055,760	\$ 3,400,413	\$ 13,055,218
Royalties	(3,638,647)	(3,993,824)	(2,609,355)	(10,241,826)
Operating Costs	(643,895)	(1,107,329)	(628,790)	(2,380,014)
Operating Netback ⁽¹⁾	316,502	(45,393)	162,268	433,378
Net Income (loss)				
	71,627	(336,853)	(1,287,717)	(3,401,153)
Per Share, Basic & Diluted				
	\$ 0.00	\$ (0.02)	\$ (0.04)	\$ (0.02)

(1) Non-GAAP measure

PRESIDENT'S MESSAGE

2016 was an evolutionary year for Renaissance with the Company achieving strategic milestones. In May 2016, Renaissance entered into licence contracts with the Comisión Nacional de Hidrocarburos (the "CNH") for the Mundo Nuevo, Topén and Malva blocks, located in Chiapas, Mexico (the "Chiapas Blocks"). In August 2016, the Company acquired a fourth property, Pontón in Veracruz, to become the holder of the most number of onshore blocks of any independent operator in Mexico. In August 2016, Renaissance completed a 90-day transition period with Petróleos Mexicanos ("PEMEX") and assumed independent operatorship of the 100% owned Chiapas Blocks becoming the largest independent producer of crude oil and natural gas in Mexico.

The Company has subsequently performed multiple production tests on the producing wells to determine well productivity and

has designed field optimization plans. Renaissance has identified several opportunities to increase production, reduce field operating costs and increase operating netbacks. On April 26, 2017, Renaissance received approval from the CNH for the Appraisal and Development Plans of the Chiapas Blocks allowing the Company to initiate its drilling and workover program. Renaissance expects to drill 3 - 4 new wells and to workover and repair existing wells on the Chiapas Blocks in the next 12 months in view of enhancing production.

In November 2016, Renaissance amended its commercialization contract for crude oil sales with a new oil pricing formula which has resulted in the Company receiving higher crude oil sales prices going forward. In February 2017, Renaissance renegotiated its commercialization contract for natural gas sales which has resulted in higher prices for the Company's sales gas. Under the new contract in February and March 2017, the Company received an average sales price for natural gas of US\$3.78 per Mcf compared to the average of US\$2.23 per Mcf received in Q4 2016.

In February 2017, the Company partnered with Lukoil by acquiring a 25% interest in the Integrated Exploration and Production Contract for the 230 km² (56,800 acres) Amatitlán block, near Poza Rica Veracruz, Mexico (the "Amatitlán Contract").

Renaissance is focused on developing the Upper Jurassic shale and shallower Tertiary formations present in the Amatitlán block which the Company believes holds significant resource potential. The Company is finalizing development plans for the Amatitlán block with PEMEX and expects to initiate the drilling program in Q3 2017. Renaissance has taken the lead role in operations and holds options to increase its interest in the Amatitlán Contract to 62.5%, upon successful development of the property.

In April 2017, Renaissance completed an equity financing for gross proceeds of \$12.8 million to fund its 2017 drilling and capital expenditure plans.

Renaissance continues to make progress on its journey to become a major Mexican energy producer.

For further information, please visit our website at www.renaissanceoil.com.

RENAISSANCE OIL CORP.

Per:
Craig Steinke
Chief Executive Officer

Abbreviations:

bbl or bbls	barrel or barrels	Mcf	thousand cubic feet
bbls/d	barrels per day	Mcf/d	thousand cubic feet per day
boe	barrels of oil equivalent	MMcf	million cubic feet
boe/d	barrels of oil equivalent per day	MMcf/d	million cubic feet per day

This news release should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016 and related management's discussion and analysis. These filings are available for review on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

This news release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, including, without limitation, statements with respect to increase production, reduce field operating costs and increase operating netbacks, future prices received for crude oil and natural gas, the initiation of and success of the drilling program at Amatitlán and the Company becoming a major Mexican energy producer. Forward-looking statements are statements that are not historical facts which address events, results, outcomes or developments that the Company expects to occur; they are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "aims", "potential", "goal", "objective", "prospective", and similar expressions, or that events or conditions "will", "would", "may", "can", "could" or "should" occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Certain material assumptions regarding such forward-looking statements are discussed in this news release and the Company's annual and quarterly management's discussion and analysis filed at www.sedar.com. Except as required by the securities disclosure laws and regulations applicable to the Company, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change.

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

SOURCE [Renaissance Oil Corp.](#)

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