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Issuer's trading name: SERINUS ENERGY INC.

Title: 2014 Financial and Operating Results

Legal basis: other regulations

Content:
Pursuant to Article 62.8 of the Act of 29 July 2005 on Public Offering […] the Management of SERINUS ENERGY INC. ("**Serinus**", "**SEN**" or the "**Company**") informs that in Canada via the SEDAR system it has published information about its financial and operating results for the year ended December 31, 2014.

2014 Highlights

- In 2014, Serinus achieved record average production (net to SEN WI) of 5,219 boe/d, compared to 4,081 boe/d in 2013, despite severe limitations on performing its planned capital program for the year due to the political situation in Ukraine.
- Total net production exited the year at 5,428 boe/d, representing 9% growth over YE 2013. It peaked at nearly 6,000 boe/d in September, before facility limitations and government restrictions on the gas market in Ukraine forced some wells to be choked back in the fourth quarter.
- Gross revenues for the year reached $164.3 million, up 12% over 2013. This includes 100% of the Ukraine revenues, as Serinus reports its results on a consolidated basis as it owns its Ukraine holdings via an indirect 70% working interest in KUB-Gas LLC, which owns and operates the Ukraine assets. The portion allocable to SEN shareholders was $128.5 million vs. $111.4 million in 2013.
- The severe drop in oil prices starting in July contributed to lower netbacks for both Ukraine (condensate) and Tunisia (oil). Ukrainian netbacks were further reduced by a 30% reduction in gas prices during the first quarter, a 49% decline in the value of the Ukraine hryvnia vs. the U.S. dollar, and significant increases in the royalties starting in August. The average netback in Ukraine in 2014 was $31.05/boe ($41.69/boe in 2013) and in Tunisia it was $53.18/boe ($68.68/boe in 2013)
- Funds from Operations continued to grow in 2014, reaching $65.3 million ($0.83/share) compared to $58.4 million ($0.91/share) in 2013. The portion allocable to SEN shareholders was $49.4 million ($0.63/share) compared to $38.0 million ($0.59/share) in 2013.
- Serinus' recorded net losses of $34.1 million ($0.43/share) and $24.0 million ($0.30/share) in Q4 and FY2014 respectively. Income was impacted by $54.9 million of impairment charges taken against its Tunisian assets and the Krutogorovskoye and Vergunskoye fields in Ukraine.

General & Financial Highlights

- Serinus made capital expenditures of $68.5 million in 2014, of which $18.3 million, $36.7 million, and $12.3 million were spent in Ukraine, Tunisia and Romania respectively. Capital spending in Ukraine was limited by security constraints and by the increase in royalties.
- Revenues in Ukraine were impacted by a 30% reduction in the price of imported Russian gas during the first quarter of 2014, pursuant to an agreement between the (then in power) Ukraine government and Russia. Those discounts ended on April 1.
- The Ukraine hryvnia declined by 49% vs. the U.S. dollar during 2014, reducing the revenues and cash flows in USD terms.
- On August 1, 2014, the Ukrainian government increased the royalty rates on natural gas and oil/liquids to 55% and 45% respectively (previously 28% and 42%). The new regime allowed for a two year relief period during which new gas wells would qualify for a "lowering coefficient" which effectively reduced the royalty rate to 30.25%. Although initially passed as a temporary measure, the rates were made

permanent on January 1, 2015. The new rate on natural gas is also applicable to the maximum price set by the government each month. To the extent that the actual market price received is lower, the effective royalty rate could be higher.

- Due to the decline in oil prices in the second half of 2014. Serinus took an impairment charge of $49.3 million against its Tunisian assets. This does not affect the present value of the properties, and the Company looks forward to continued investment and growth in Tunisia.
- The Company also took a $5.6 million impairment charge against the Krutogorovskoye and Vergunskoye licences in Ukraine. These fields are located in a rebel controlled area, and production has been shut-in since June 2014. In aggregate, these two fields accounted for less than 4% of Ukrainian production and 2P reserves.
- Serinus received cash payments from its Ukraine operations during the first nine months of 2014. Intercompany loans of $3.6 million were repaid and dividends of $29.1 million were paid by KUB-Gas LLC ("**KUB-Gas**"), the Company's 70% indirectly owned subsidiary which owns and operates the Ukrainian assets. Effective September 23, 2014, the National Bank of Ukraine issued a resolution prohibiting foreign exchange transactions associated with the payment of dividends to foreign entities. This resolution was due to expire on March 3, 2015 but has subsequently been extended to June 3, 2015.
- Subsequent to year end, on February 20, 2015, the Company announced that it had executed an agreement for a new loan facility with the European Bank for Reconstruction and Development ("**EBRD**") for €10 million. This new facility will be used to fund the capital program currently underway in Romania which includes two exploration wells and a 3D seismic survey.

Operational Highlights & Update

- Average working interest production in 2015 to the end of February was approximately 4,680 boe/d (1,325 bbl/d of oil, 19.7 MMcf/d of gas, 76 bbl/d of liquids). Production in Ukraine continues to be restricted by facility limitations, specifically related to meeting dew point specifications for sales gas, and by the government's decree forcing industrial buyers to buy gas solely from the state company, which resulted in a partial loss of market. It is anticipated that the facility constraints will be eliminated in May with the installation of new field compression in the Olgovskoye field. The government's decree forcing industrial buyers to buy gas solely from the state company was declared illegal by Ukrainian courts in February, however the Company has yet to see the impact of this decision in the market.
- After finishing drilling and completion during the first part of 2014, the M-17 well in Ukraine was put on production at an initial gross rate of 6 MMcf/d on June 26, 2014. The well continued to clean up and stabilize, and its average gross rate to the end of 2014 was over 11 MMcf/d. This is the best well completed in the S6 zone to date, and pending an improvement in the security and economic situation in Ukraine, the Company has several more S6 prospects.
- Due to security issues in eastern Ukraine, KUB-Gas was forced to suspend all drilling, workover and construction activities during the third quarter of 2014. Drilling resumed in October with the M-22 well, which has been logged and cased. Logs indicated aggregate net gas pay of 18 metres in the S6 and S13a, and resource potential in four additional zones. Completion and testing operations are currently underway and expected to be finished by the end of March 2015.
- Despite the security issues, production from KUB-Gas' main fields (Olgovskoye and Makeevskoye) continued without interruption throughout 2014, and the Company is pleased to report that all of its personnel are safe.
- On July 17, Serinus spud the Winstar-12bis well ("**WIN-12bis**") in the Sabria area of Tunisia, which reached total depth in early November. After completion and testing, it commenced production on December 10, 2014 at an initial rate of 635 boe/d. As the well continued to clean up and stabilize, the choke was opened and the well has averaged 1,033 boe/d for the first two months of 2015.
- Winstar-13 ("**WIN-13**"), the second well in the Sabria drilling program, was spud on December 10, 2014 and reached its target total depth of 3,781 metres on March 11, 2015. Completion and testing are expected to be completed by early April.
- In Romania, two exploration wells, Moftinu-1001 and Moftinu-1002bis, were drilled during November and December, with the rig released from Moftinu-1002-bis on January 7, 2015. Moftinu-1001 encountered three zones with aggregate net pay of 17 metres, and Moftinu-1002bis found 22 metres

of net pay in seven zones. Completion and testing operations are underway and expected to be complete by the end of March 2015.

Outlook

The Company expects its 2015 capital expenditures program to be negatively impacted by tighter fiscal terms in Ukraine and lower commodity prices. Serinus currently expects its capital expenditure budget for 2015 will be $17 million, and will include the following:

- Ukraine - Completion, testing and tie-in of the M-22 well
- Ukraine – Field compression for the Olgovskoye field(s) for dew point suppression.
- Tunisia – Drilling, completion and tie-in of WIN-13
- Tunisia – Installation of coiled tubing in ECS-1
- Romania - Completion and testing of Moftinu-1001 and Moftinu-1002bis.

All of these items are scheduled to be completed by May 2015.

Supporting Documents

The full Management Discussion and Analysis ("**MD&A**") and Financial Statements have been filed in English on www.sedar.com and in Polish and English via the ESPI system, and will also be available on www.serinusenergy.com.

Notes

Serinus prepares its financial results on a consolidated basis, which includes 100% of its indirectly 70% owned subsidiary, KUB-Gas LLC ("KUB-Gas"). Unless otherwise noted by the phrases "allocable to Serinus", "net to Serinus", "attributable to SEN shareholders" or "net to SEN WI", all values and volumes refer to the consolidated figures. Serinus reports in US dollars; all dollar values referred to herein, whether in dollars or per share values are in US dollars unless otherwise noted.

Cautionary Statement:

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Test results are not necessarily indicative of long-term performance or of ultimate recovery. The test data contained herein is considered preliminary until full pressure transient analysis is complete.

This text contains selected excerpts from the original news release in English, which has been filed by Company in Canada (country of its registered office) by way of the SEDAR system and is available at the website www.sedar.com by entering the Company name at http://www.sedar.com/search/search_form_pc_en.htm. The Polish translation of the entire text of the news release is available at the website: www.serinusenergy.com