Iron Bridge Resources Provides Operations Update

CALGARY, Alberta, Dec. 20, 2017 (GLOBE NEWSWIRE) -- Iron Bridge Resources Inc. (the "**Iron Bridge**" or the "**Company**") is pleased to provide an update on its ongoing winter capital budget operations and its share re-purchase activities.

Winter Capital Budget Update

As previously-disclosed, Iron Bridge's Elmworth winter capital budget includes the drilling of five, 100% working interest wells including a water disposal well. As of this date, the disposal well has been drilled and completed and is undergoing requisite regulatory testing. The first development well ("**5-22**") has been successfully drilled to a total measured depth of 5,000 meters including a 2,560 meter lateral section. The drilling rig will now move onto our second development well ("**102/5-22**") and will spud later this week. Both of these wells have been drilled on-time and on-budget.

The timing and status of the winter program is as follows:

- Drill and perforate a water disposal well (102/2-23-68-3W6M). – Operation completed.
- Drill Montney horizontal development well (5-22-68-3W6M). – Operation completed.
- Drill Montney horizontal development well (102/5-22-68-3W6M). – To be spud on or about December 22nd with programmed total measured depth of 5,000 meters with 2,580 meters of lateral.
- Back-to-back completion operations for 5-22 and 102/5-22 are expected to initiate late January and begin flow back to the Company's Elmworth 2-23 Facility in February.
- Drill two separate step-out Montney delineation horizontal wells which will hold a significant amount of Iron Bridge's acreage. The first is expected to spud mid-January and the second mid-February.

The two development wells will represent the first wells fully-designed and completed by the Company's new management team since taking over in August. Management believes completion design is key to unlocking the value of the Montney in the Elmworth and Gold Creek area. "Industry has demonstrated that tighter stage spacing and increased frac intensity combined with lower pump rates can deliver exceptionally economic oily Montney wells in this area," said Gregg Nixon, VP Completions and Production.

The Company's earlier wells in this area were completed with 30 stages at 75 meter stage spacing and were pumped at relatively high rates. The two development wells to be completed this winter will have 70-80 stages with stage spacing reduced to 30 meters. Based on its own experience, as well as industry wells in the area, management anticipates these completion changes may increase well productivity and lower gas-oil-ratios and water cuts. As previously disclosed, the Company has the benefit of on-site water disposal facilities and as a result, changes to water-cut do not materially impact costs.

The 15-23 well that the Company completed in September was approximately 1,000 meters shorter than our upcoming development wells and was completed with 30 stages at 50 meter spacing. This well produced at approximately 1,000 boe/d for the month of November (based on field estimates). Production consisted of 183 bbls/d light sweet oil, 4.5 MMcf/d of natural gas and 112 bbls/d of NGLs. Pricing of our NGLs product mix in October was approximately 70% of the price we receive for our Elmworth light oil volumes and this is generally consistent with historical pricing. Our current Elmworth NGLs composition is as follows:

NGL Components	IBR NGL Weighting (November 2017)	Pricing Variance to Edmonton Light Price (October 2017)[1]
Propane	32%	($31.84)
Butane	35%	($28.29)
Pentanes	24%	$1.29
Condensate	9%	$3.27

[1] October is the most current pricing available for the Company's natural gas liquids

The two development wells are planned to be completed and tied into the Elmworth 2-23 Facility prior to 'spring break-up'. The Company will report on production rates once it feels the wells have established a stabilized rate. The drilling of the two step-out delineation, 'land-holding' horizontal wells is expected to continue 41 sections of prospective acreage past its primary expiry date through to the year 2020. Completion operations on these two well bores is budgeted to be undertaken in the second half of 2018.

The Company has significant financial flexibility and full funding capability to carry out its winter drilling capital expenditures budget of approximately $25 million and its share-repurchase program. Exiting 2017, the Company is forecasting approximately $33 million of liquidity (positive working capital plus equity investment) and an undrawn credit facility of $5 million.

At Elmworth and Pipestone, the Company holds a large undeveloped land base consisting of 84 (83.5 net) sections (53,440 net acres) of operated acreage, with substantial resource potential. Asset development of the Montney formation will be focused on extended-reach horizontals with increased frac and proppant intensity. These technical enhancements, coupled with operational efficiencies in spud-to-on-stream cycle times, emulsion management and infrastructure optimization, will provide the key to unlocking the vast potential of the Company's Elmworth Montney asset.

Share Re-Purchase Program Update

In November, the Company began to re-purchase shares of its common stock under the normal course issuer bid "(**NCIB**"). To-date, approximately 880,000 shares have been purchased in the open market pursuant to the NCIB for approximately $585,000 in aggregate (average re-purchase price of $0.66/share). All shares that have been re-purchased will be cancelled and eliminated from the existing outstanding share count.

The number of future share re-purchases under the NCIB, the timing of purchases, and the price at which the Common Shares will be purchased, will be determined by the Company in its discretion and will depend on future market conditions.

Abbreviations

bbl or bbls	barrel or barrels	Mcf/d	thousand cubic feet per day
Mbbl	thousand barrels	MMcf/d	million cubic feet per day
bbls/d	barrels per day	MMcf	Million cubic feet
boe	barrels of oil equivalent	Bcf	billion cubic feet
Mboe	thousand barrels of oil equivalent	psi	pounds per square inch
boe/d	barrels of oil equivalent per day	kPa	kilopascals
NGLs	natural gas liquids	GJ	Gigajoule
WTI	West Texas Intermediate	GJ/d	Gigajoules per day

Reader Advisories

The information in this news release contains certain forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as *"seek", "anticipate", "budget", "plan", "continue", "estimate", "approximate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would"* and similar expressions. More particularly and without limitation, this news release contains forward-looking information relating to: the Company's planned capital expenditures program for the winter drilling season; the number of wells to be drilled, completed and tied-in and the timing thereof; the methods of completion of the Company's wells and the anticipated improvements in well productivity and lower gas-oil ratio and water cuts; future liquidity and financial capacity; future results from operations; 2017 year-end forecasted liquidity and level of bank debt; and the resource potential of the Company's Elmworth assets.

With respect to forward-looking statements contained in this news release, Iron Bridge has made assumptions regarding, but not limited to: conditions in general economic and financial markets; effects of regulation by governmental agencies; current and future commodity prices and royalty regimes; future exchange rates; royalty rates; future operating costs; availability of skilled labor; availability of drilling and related equipment; timing and amount of capital expenditures; the impact of increasing competition; the price of crude oil and natural gas; that the Company will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that the Company's conduct and results of operations will be consistent with its expectations; available pipeline capacity; that the Company will have the ability to develop the Company's properties in the manner currently contemplated; that the Company will be able to drill, complete and tie-in wells in the manner and on the timing described herein; current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated; and the estimates of the Company's production and reserves volumes and the assumptions related thereto (including commodity prices and development costs) are accurate in all material respects.

These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company’s control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves; obtaining required approvals of regulatory authorities; unexpected drilling results; the Company is unable to achieve its objectives; that the anticipated resource potential in the Elmworth area is not achieved; changes in capital expenditures, reserves or reserves estimates and debt service requirements; the occurrence of unexpected events involved in the exploration for, and the operation and development of, oil and gas properties, including hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; changes or fluctuations in production levels; delays in anticipated timing of drilling and completion of wells; lack of available capacity on pipelines; the lack of availability of qualified personnel; uncertainties associated with estimating oil and natural gas reserves; and ability to access sufficient capital from internal and external sources. Many of these risks and uncertainties and additional risk factors are described in the Company's Annual Information Form which is available at www.sedar.com.

The Company’s actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits that the Company will derive from them. The Company’s forward-looking statements are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements.

The Company anticipates remaining disciplined but flexible with its winter drilling program and related capital expenditures as outlined herein as it monitors business conditions and commodity prices throughout the period. Where deemed prudent, the Company may make adjustments to its planned capital program. Actual spending may vary due to a variety of factors including, without limitation, drilling results, crude oil and natural gas prices, economic conditions, field services and equipment availability, and the impact of any strategic transactions. The Company has flexibility to adjust the level of its planned capital expenditures as circumstances warrant.

In this news release Iron Bridge has adopted a standard for converting thousands of cubic feet ("**mcf**") of natural gas to barrels of oil equivalent ("**boe**") of 6 mcf:1 boe. Use of boes may be misleading, particularly if used in isolation. The boe rate is based on an energy equivalent conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.

This news release contains certain oil and gas metrics, including *field operating netback* (or *operating netback*) or *net debt* or *funds from operations*, which do not have standardized meanings or standard methods of calculation nor are recognized measures under International Financial Reporting Standards ("**IFRS**") and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Company's performance; however, such measures are not reliable indicators of the future performance of the Company and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon. *Field operating netback* or *operating netback* refers to realized wellhead revenue less royalties, operating expenses and transportation costs per barrel of oil equivalent. The Company believes that this financial netback measure is useful supplemental information to analyze operating performance and provide an indication of the results generated by the Company's principal business activities. Investors should be cautioned that this measure should not be construed as an alternative to other measures of financial performance as determined in accordance with IFRS. *Net debt* refers to outstanding bank debt less deferred charge plus working capital deficiency (or minus working capital surplus), excluding unrealized amounts pertaining to risk management contracts. *Net debt* is not a recognized measure under IFRS and does not have a standardized meaning. The Company's method of calculating net debt may differ from other companies, and accordingly, they may not be comparable to similar measures used by other companies.

For more information, please contact:
IRON BRIDGE RESOURCES INC.

Rob Colcleugh
Chief Executive Officer
(403) 930-6333
rcolcleugh@ironbridgeres.com

Dean Bernhard
Vice President, Finance and Chief Financial Officer
(403) 930-6304
dbernhard@ironbridgeres.com

Suite 1200, 500 - 4th Avenue SW
Calgary, Alberta
T2P 2V6