
NOVUS ENERGY INC. ENTERS INTO DEFINITIVE AGREEMENT TO BE ACQUIRED BY YANCHANG PETROLEUM INTERNATIONAL LIMITED

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Calgary, Alberta, September 3, 2013 – Novus Energy Inc. (“**Novus**” or the “**Company**”) (TSXV: NVS) is pleased to announce that it has entered into a definitive agreement (the “**Arrangement Agreement**”) with Yanchang Petroleum International Limited (“**Yanchang Petroleum International**”) and Yanchang International (Canada) Limited (“**Yanchang Canada**”, and, together with Yanchang Petroleum International, the “**Purchaser Parties**”) for the purchase of all of the issued and outstanding common shares of the Company (the “**Common Shares**”) at a cash price of C\$1.18 per Common Share. The total transaction value, including net debt and transaction costs, is approximately C\$320 million. The transaction is to be completed by way of a plan of arrangement under the *Business Corporations Act* (Alberta) (the “**Arrangement**”). The consideration offered for the Common Shares pursuant to the Arrangement represents a 40% premium over the closing price of the Common Shares on the TSX Venture Exchange on August 27, 2013, the last trading day of the Common Shares prior to the subsequent halt thereof, and a 44% premium over the 1-month volume weighted average trading price of the Common Shares on the TSX Venture Exchange.

Yanchang Canada, formed for the purpose of completing the Arrangement, is wholly owned by Yanchang Petroleum International (Hong Kong Stock Code: 00346). Yanchang Petroleum International is a Hong Kong listed public company and is principally engaged in the exploration, exploitation and operation of oil and gas fields and refined oil wholesale and retail businesses. Shaanxi Yanchang Petroleum (Group) Co., Limited (“**Yanchang Petroleum Group**”), the fourth largest oil producer in China with more than 100 years of history, is the largest shareholder of Yanchang Petroleum International and has majority representation on the Board of Directors of Yanchang Petroleum International. In 2012, Yanchang Petroleum Group achieved annual revenue of RMB 162 billion (approximately US\$25 billion) and is the largest enterprise in Shaanxi province in terms of annual revenue.

The Arrangement

The Arrangement is subject to customary conditions for a transaction of this nature, which include court and regulatory approvals, the approval of 66 2/3% of the votes cast by Novus shareholders represented in person or by proxy at a meeting of Novus shareholders to be called to consider the Arrangement and a simple majority of votes cast by Novus shareholders represented in person or by proxy and entitled to vote after excluding the votes required by Multilateral Instrument 61-101 and approval of the TSX Venture Exchange. The Arrangement also requires a simple majority of votes cast by Yanchang Petroleum International’s shareholders, in person or by proxy, at a meeting to be called to consider the Arrangement.

The Arrangement is subject to approval by the State-owned Assets Supervision and Administration Commission of the State Council (“**SASAC**”) of the People’s Republic of China, and other customary approvals from governmental entities in the People’s Republic of China. The Arrangement is conditional upon Yanchang Petroleum International finalizing financing arrangements.

On August 28, 2013, Yanchang Petroleum International entered into a subscription agreement with Yanchang Petroleum Group (Hong Kong) Co., Limited (“**Yanchang Petroleum HK**”) (a wholly-owned subsidiary of Yanchang Petroleum Group), pursuant to which Yanchang Petroleum HK has conditionally agreed to subscribe for and Yanchang Petroleum International has conditionally agreed to issue a

convertible bond in the aggregate principal amount of HK\$1,600,000,000 (approximately C\$217 million). The proceeds from the issuance of the convertible bond will provide additional financing for the Arrangement. In addition, Yanchang Petroleum Group has indicated its willingness to provide additional financial support to complete the financing in the event it is required by Yanchang Petroleum International.

An information circular regarding the Arrangement is expected to be mailed to shareholders of Novus in October 2013 for an annual and special meeting of the holders of Common Shares scheduled to take place in November 2013. Closing of the Arrangement is expected to occur prior to the end of December 2013, subject to extension in certain circumstances.

The Company has agreed in the Arrangement Agreement that it will not solicit or initiate discussions regarding any other business combination or sale of material assets. The Company has also granted the Purchaser Parties a right to match competing unsolicited proposals. Pursuant to the Arrangement Agreement, a termination fee of C\$10 million will be payable by the Company in certain circumstances, including if the Company enters into an agreement with respect to a superior proposal or if the Board of Directors of the Company withdraws or modifies its recommendation with respect to the proposed transaction. In addition, a termination fee of C\$5 million will be payable to the Company if the Arrangement is not completed due to failure to obtain required approvals of governmental bodies in the People's Republic of China or if Yanchang Petroleum Group, as the major shareholder of Yanchang Petroleum International, fails to vote in favour of the Arrangement at the meeting of Yanchang Petroleum International's shareholders. Furthermore, a termination fee of C\$7.5 million will be payable to the Company if the Arrangement is not completed due to the failure by the Purchaser Parties to obtain required financing for the Arrangement.

A copy of the Arrangement Agreement will be filed on Novus' SEDAR profile and will be available for viewing at www.sedar.com.

Recommendation of the Board of Directors

On December 4, 2012, Novus announced it had retained financial advisors to assist the Special Committee of the Board of Directors in exploring and evaluating a broad range of options to optimize shareholder value. Technical presentations commenced during the third week of January 2013 for interested and qualified parties who had entered into a confidentiality agreement with Novus. Following an extensive review and analysis of the proposed transaction and consideration of other available alternatives, the Board of Directors of Novus, after consulting with its financial and legal advisors, has unanimously approved the Arrangement and unanimously determined that the transaction is in the best interests of Novus. The Board of Directors of Novus unanimously recommends that all Novus shareholders vote in favour of the Arrangement at the shareholder meeting to be called to consider the Arrangement.

The Board of Directors and officers of Novus intend to vote their respective Common Shares in favour of the Arrangement, and have entered into support agreements with Yanchang Canada pursuant to which they have agreed to, among other things, vote their Common Shares in favour of the Arrangement.

Yanchang Petroleum Group, the largest shareholder of Yanchang Petroleum International, has conveyed its intention to vote its shares in favour of the Arrangement at the meeting of Yanchang Petroleum International's shareholders.

Advisors

Cormark Securities Inc. ("**Cormark**"), as lead, and FirstEnergy Capital Corp. ("**FirstEnergy**") are acting as financial advisors to Novus in the transaction. GMP Securities L.P. is acting as special advisor to the Special Committee of the Novus Board of Directors. Canaccord Genuity Corp. and Haywood Securities

Inc. are acting as strategic advisors to Novus. Blake, Cassels & Graydon LLP is acting as legal counsel to Novus.

Cormark and FirstEnergy have each provided the Board of Directors of Novus with their verbal opinions that, as of the date of the Arrangement Agreement and subject to review of final documentation, the consideration to be received by the holders of Common Shares under the written Arrangement is fair, from a financial point of view, to such holders. A copy of each financial advisor's opinion will be included in the information circular to be sent to Novus shareholders for the special meeting to be called to consider the Arrangement.

About Yanchang Petroleum International Limited

Yanchang Petroleum International is principally engaged in the following operations (i) investment in oil, natural gas and energy related businesses; (ii) exploration, exploitation and operation of oil and gas; and (iii) fuel oil trading and distribution. In its upstream operations, Yanchang Petroleum International holds a 100% stake in Block 3113 and Block 2104 in the Republic of Madagascar. In its downstream operations, Yanchang Petroleum International is principally engaged in wholesale, retail, storage and transportation of oil products and has been granted valid licenses for distribution and sales of oil products in China. Yanchang Petroleum International currently owns storage facilities with a total area of 209 mu (approximately 14 hectares) and capacity of 120,000 cubic meters, a 2,500-meter private railway, a retail network of 10 refueling stations, and has distribution and sales capability for processing up to 2,000,000 tons of oil products per year. In the first half of 2013, Yanchang Petroleum International achieved its operating target of sales volumes of over 900,000 tons of oil products and sales revenue of over HK\$8 billion (approximately US\$1 billion) for its oil product operation in China. For details, please refer to www.yanchangpetroleum.com.

About Shaanxi Yanchang Petroleum (Group) Co., Limited

Yanchang Petroleum Group is principally engaged in oil and gas exploration, exploitation, processing, pipeline transportation and sales of oil and gas; chemical engineering of oil, gas and coal, machinery manufacturing, project construction and oil and gas research and development. Yanchang Petroleum Group owns the right for exploration, exploitation and operation of oil and natural gas resources and has refining facilities in China, and owns oil and natural gas resource assets in China and abroad. In 2012, Yanchang Petroleum Group produced 12.54 million tons of crude oil, processed 14 million tons of crude oil and produced 256 million cubic meters of natural gas, and achieved annual revenue of RMB162 billion (approximately US\$25 billion). Yanchang Petroleum Group, CNPC, Sinopec and CNOOC are the largest four enterprises in China which own and have the right to explore oil and gas resources in China, and Yanchang Petroleum Group is the sole petroleum enterprise with more than 100 years of history. Based on Fortune 500 listing issued in 2013, Yanchang Petroleum Group ranks No. 464 amongst the top 500 companies in the world and No. 183 in terms of earnings. For details, please refer to www.sxycpc.com.

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Securities Act of 1933 and may not be offered or sold in the United States, or to a U.S. person, absent registration, or an applicable exemption therefrom.

Advisory Regarding Forward Looking Statements

Certain disclosures set forth in this press release constitute forward-looking statements. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believes", "budget", "continue", "could", "estimate", "forecast", "intends", "may", "plan", "predicts", "projects", "should", "will" and other similar expressions. More particularly and without limitation, this press release contains forward-looking statements concerning: the anticipated benefits of the Arrangement to Novus and its shareholders; the timing and anticipated receipt of regulatory, court, shareholder and other approvals for the Arrangement; the ability of Novus and Yanchang Petroleum International to satisfy the other conditions to, and to complete, the Arrangement; and the anticipated timing of mailing of the information circular regarding the Arrangement, the Novus shareholder meeting and the closing of the Arrangement.

In respect of the forward-looking statements and information concerning the anticipated completion of the proposed Arrangement and the anticipated timing for completion of the Arrangement, Novus has provided such in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the time required to prepare and mail Novus shareholder meeting materials, including the required information circular; the ability of the parties to receive, in a timely manner, the necessary regulatory, court, shareholder and other third party approvals; and the ability of the parties to satisfy, in a timely manner, the other conditions to the closing of the Arrangement. These dates may change for a number of reasons, including unforeseen delays in preparing meeting materials, inability to secure necessary shareholder, regulatory, court or other third party approvals in the time assumed or the need for additional time to satisfy the other conditions to the completion of the Arrangement. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release concerning these times.

Risks and uncertainties inherent in the nature of the Arrangement include the failure of Novus or Yanchang Petroleum International to obtain necessary shareholder, regulatory, court and other third party approvals, or to otherwise satisfy the conditions to the Arrangement, in a timely manner, or at all. Failure to so obtain such approvals, or the failure of Novus or Yanchang Petroleum International to otherwise satisfy the conditions to the Arrangement, may result in the Arrangement not being completed on the proposed terms, or at all. In addition, the failure of Novus to comply with the terms of the Arrangement Agreement may result in Novus being required to pay a non-completion or other fee to Yanchang Petroleum International, the result of which could have a material adverse effect on Novus' financial position and results of operations and its ability to fund growth prospects and current operations.

Forward-looking statements relate to future events and/or performance and although considered reasonable by Novus at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated in the statements made. Novus does not undertake any obligation to publicly update forward-looking information except as required by applicable securities law.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Novus' 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), and at Novus' website (www.novusenergy.ca). The forward-looking statements and information contained in this press release are made as of the date hereof and Novus undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.