

## **NOVUS ENERGY INC. REPORTS SIGNIFICANT 2012 RESERVES & PRODUCTION GROWTH**

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**CALGARY, ALBERTA, April 17, 2013** – Novus Energy Inc. (“Novus” or the “Company”) (TSXV: NVS) is pleased to announce a substantial increase to its reserves and production from its successful 2012 capital program.

The Company’s year-end independent reserve evaluation was prepared by Sproule Associates Limited (“Sproule”) effective December 31, 2012 (the “Sproule Report”).

### **Reserve Highlights**

- Proved reserves at December 31, 2012 increased by 68% to 14.85 million boe, up substantially from 8.84 million boe on December 31, 2011.
- Proved plus probable reserves at December 31, 2012 increased by 56% to 22.72 million boe, up from 14.56 million boe on December 31, 2011.
- The net present value of proved plus probable reserves, before income tax and discounted at 10%, increased to \$377.1 million up from \$331.3 million at December 31, 2011.
- Oil and natural gas liquids (“NGLs”) at December 31, 2012 represent 82% of proved plus probable reserves on a boe basis and 81% of total proved reserves.
- Total proved reserves at December 31, 2012 represent 65% of total proved plus probable reserves, up from 61% on December 31, 2011.
- Reserve replacement for the year was 829% on a proved plus probable basis and 637% based on proved reserves.
- The Company’s Reserve Life Index at December 31, 2012 was 18.1 years on a proved plus probable basis and 11.8 years on a proved basis (based on annualized fourth quarter 2012 production).
- Finding, development and acquisition costs, excluding future development capital (“FDC”), were \$9.41/boe for proved plus probable reserves and \$12.25/boe for proved reserves. Including FDC, finding, development and acquisition costs were \$26.87/boe for proved plus probable reserves and \$28.62/boe for proved reserves.

### **Operational Highlights**

- The Company’s average production for 2012 was 3,059 boe/d, representing 55% year over year average production volume growth.
- Novus achieved production of 3,444 boe/d in the fourth quarter of 2012 (78% oil and liquids) representing a 21% increase over fourth quarter 2011 production volumes.
- The preliminary estimate of first quarter 2013 average production based on field estimates is 4,090 boe/d.
- Operating netbacks in 2012 for the Company’s Viking light oil production in Dodsland were estimated to be \$54.16/boe.
- During 2012 Novus operated the drilling of 72 wells all using horizontal multi stage frac technology.

- During the first quarter of 2013 Novus drilled 17 wells all using horizontal multi stage frac technology. Twenty wells were completed and brought on production during the quarter.
- Novus currently controls 219 net sections of Viking rights, and has a risked drilling inventory of 1,585 net, undrilled Viking oil locations.

### **Operational Update**

In the fourth quarter of 2012, Novus achieved production of 3,444 boe/d, a 21% increase over fourth quarter 2011 average production volumes of 2,845 boe/d. 2012 average annual production was 3,059 boe/d, a 55% increase over 2011 average annual production volumes of 1,971 boe/d.

The Company drilled a total of 72 wells (72.0 net) in 2012 all targeting Viking oil within the Dodsland region of Saskatchewan. Twenty-four of these wells (24.0 net) were drilled in the fourth quarter of 2012.

During the fourth quarter of 2012, Novus drilled, completed and placed on production three wells to the west of its Flaxcombe field. The western most well drilled in this extension is situated over 12 miles from the Flaxcombe field. In the first quarter of 2013, Novus drilled, cased and put on production four additional successful wells in the region. With recent land purchases Novus controls approximately 17.5 sections of land in this western extension and with its success, has materially added to its drilling inventory.

Due to higher than average snowfall levels in Saskatchewan this year, Novus has taken several steps to mitigate the impact of spring breakup on its production. The Company has tied all possible wells into its pipeline system and has negated the need for trucks in regular operations in its core Flaxcombe area. Within the region, where trucks will be required, the Company has distributed a large quantity of rig matting to ensure emulsion hauling can continue on access roads through breakup. All field oil storage tanks were emptied prior to road bans being applied giving the Company ample capacity to maintain regular production in the event of inadvertent short term trucking disruptions.

Novus had a very active and highly successful year in 2012. The large reserve additions the Company obtained were almost exclusively generated in its key Viking light oil resource play in Dodsland, Saskatchewan. Virtually all of the proved and probable reserve growth the Company achieved came from organic drilling. The attractive finding, development and acquisition costs the Company enjoys validate its growth strategy of assembling a predictable, low risk, multi-year drilling inventory within a concentrated core area with year round access. Novus now controls 219 net sections of Viking rights in the Greater Dodsland area of Saskatchewan and the Greater Provost area of Alberta.

### **Financial Position**

The Company ended the 2012 fiscal year with net debt of \$78.9 million, against lines of credit of \$105 million. Novus' strong financial position and unused lines of credit provide the Company with the ability to maintain its growth profile and continue the exploitation of its significant drilling inventory.

### **Value Optimization Process**

On December 4, 2012, Novus announced that 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 have entered into a confidentiality agreement with Novus. The Company does not intend to disclose future developments with respect to the process unless and until the Board of Directors has approved a specific transaction or otherwise determines that disclosure is appropriate or required.

### **Reserves**

The reserves data set forth below is based upon the Sproule Report. The following presentation summarizes the Company's crude oil, natural gas liquids and natural gas reserves and the net present values of future net revenue of the Company's reserves before income taxes and using forecast prices and costs. The Sproule Report has been prepared in accordance with the standards contained in the COGE Handbook and the reserves definitions contained in NI 51-101.

All evaluations and reviews of future net cash flows are stated prior to any provisions for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimates of future net revenues presented in the tables below represent the fair market value of the reserves. There is no assurance that the forecast prices and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.

	Light and Medium Oil		Heavy Oil		Natural Gas Liquids		Natural Gas		Barrels of oil equivalent	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mbbbl)	(Mmcf)	(Mmcf)	(Mboe)	(Mboe)
Proved										
Producing	3,501.0	3,107.7	11.4	9.4	65.3	44.3	6,965	6,133	4,738.6	4,183.4
Non-Producing	68.9	59.5	-	-	0.9	0.8	124	104	90.5	77.6
Undeveloped	8,424.2	7,604.4	-	-	19.7	16.3	9,485	8,651	10,024.6	9,062.6
Total Proved	11,994.1	10,771.6	11.4	9.4	85.9	61.3	16,574	14,888	14,853.7	13,323.6
Probable	6,427.9	5,802.2	33.7	25.8	52.2	37.9	8,093	7,307	7,862.4	7,083.9
Total Proved plus Probable	18,422.0	16,573.8	45.1	35.2	138.1	99.3	24,666	22,196	22,716.1	20,407.5

Notes:

1. "Gross" means the Company's reserves before calculation of royalties, and before consideration of the Company's royalty interests.
2. "Net" means the Company's reserves after deduction of royalty obligations, and including the Company's royalty interests.
3. Oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.
4. Columns may not add due to rounding.

### Reserves Values

The estimated before tax future net revenues associated with the Company's reserves, effective December 31, 2012 and based on Sproule's December 31, 2012 future price forecast, are summarized in the following table:

(M\$)	0%	5%	10%	15%	20%
Proved					
Producing	182,823	154,829	134,577	119,431	107,760
Non-Producing	1,998	1,550	1,214	956	753
Undeveloped	239,703	156,922	103,133	67,153	42,444
Total Proved	424,524	313,301	238,923	187,539	150,957
Probable	318,009	203,435	138,202	98,773	73,626
Total Proved plus Probable	742,533	516,736	377,125	286,313	224,583

Notes:

1. Net present value of future net revenue includes all resource income:
  - Sale of oil, gas, and by-product reserves
  - Processing third party reserves
  - Other income
2. Values are based on net reserve volumes
3. Columns may not add due to rounding

## Price Forecast

The December 31, 2012 Sproule price forecast is summarized as follows:

Year	\$US/\$Cdn Exchange Rate	WTI @ Cushing (US\$/bbl)	AB Edmonton Light (C\$/bbl)	Hardisty Bow River (C\$/bbl)	Natural Gas at AECO-C Spot (C\$/Mmbtu)
2013	1.001	89.63	84.55	70.18	3.31
2014	1.001	89.93	89.84	75.47	3.72
2015	1.001	88.29	88.21	74.09	3.91
2016	1.001	95.52	95.43	81.12	4.70
2017	1.001	96.96	96.87	82.34	5.32
2018	1.001	98.41	98.32	83.57	5.40
2019	1.001	99.89	99.79	84.82	5.49
2020	1.001	101.38	101.29	86.10	5.58
2021	1.001	102.91	102.81	87.39	5.67
2022	1.001	104.45	104.35	88.70	5.76
2023	1.001	106.02	105.92	90.03	5.85
2024+		+1.5%/yr	+1.5%/yr	+1.5%/yr	+1.5%/yr

Note: Inflation is accounted for at 1.5% per year.

## Finding, Development and Acquisition Costs (“FD&A”)

Novus’ F&D and FD&A costs for 2012, 2011 and the three year average are presented in the tables below. The costs used in the F&D and FD&A calculations are the capital costs related to: land acquisition and retention; drilling; completions; tangible well site equipment; tie-ins; facilities; and other costs, plus the change in estimated FDC as per the independent reserve report, inclusive of the effects of the Alberta Drilling Royalty Credit program. Acquisition costs are net of any proceeds from dispositions of properties. Due to the timing of capital costs and the subjectivity in the estimation of further costs, the aggregate of the exploration and developments costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for that year (all figures in the following tables are in thousands of dollars unless otherwise stated).

Finding & Development Costs – Proved (000’s, except \$/boe amounts)	2012	2011	3 Year Average
Capital expenditures (excluding acquisitions and dispositions)	\$87,536	\$73,580	\$71,588
Change in future development capital	116,702	53,657	82,751
Total capital for F&D	204,238	127,237	154,339
Reserve additions, excluding acquisitions and dispositions	7,155.8	4,665.1	5,051.6
Proved F&D costs – including future development capital (\$/boe)	28.54	27.27	30.55
Proved F&D costs – excluding future development capital (\$/boe)	12.23	15.77	14.17

Finding & Development Costs – Proved plus probable (000’s, except \$/boe amounts)	2012	2011	3 Year Average
Capital expenditures (excluding acquisitions and dispositions)	\$87,536	\$73,580	\$71,588
Change in future development capital	162,072	58,889	108,687
Total capital for F&D	249,608	132,469	180,275
Reserve additions, excluding acquisitions and dispositions	9,351.9	5,896.4	7,210.5
Proved plus probable F&D costs – including future development capital (\$/boe)	26.69	22.47	25.00
Proved plus probable F&D costs – excluding future development capital (\$/boe)	9.36	12.48	9.93

Finding, Development & Acquisition Costs – Proved (000's, except \$/boe amounts)	2012	2011	3 Year Average
Capital expenditures (including acquisitions, net of dispositions)	\$87,306	\$73,110	\$76,234
Change in future development capital	116,692	48,052	82,751
Total capital for FD&A	203,998	121,162	158,985
Reserve additions, including net acquisitions	7,128.6	4,734.2	5,211.1
Proved FD&A costs – including future development capital (\$/boe)	28.62	25.59	30.51
Proved FD&A costs – excluding future development capital (\$/boe)	12.25	15.44	14.63

Finding, Development & Acquisition Costs – Proved plus probable (000's, except \$/boe amounts)	2012	2011	3 Year Average
Capital expenditures (including acquisitions, net of dispositions)	\$87,306	\$73,110	\$76,234
Change in future development capital	162,062	48,416	108,687
Total capital for FD&A	249,368	121,526	184,921
Reserve additions, including net acquisitions	9,278.8	6,037.6	7,485.0
Proved plus probable FD&A costs – including future capital (\$/boe)	26.87	20.13	24.71
Proved plus probable FD&A costs – excluding future capital (\$/boe)	9.41	12.11	10.18

Notes:

1. The reserves used in the above calculations are Company gross reserves additions, including revisions.
2. The 2012 capital expenditures used in the above calculations are unaudited as the Company's 2012 annual financial statements are in the process of being finalized. These numbers and calculations thereon are subject to change upon completion of the audit.

### Reserves Replacement

Novus' 2012 FD&A activities replaced 829% of production on a proved plus probable basis and 637% on a proved basis.

Production (Mboe)	1,119.5
Proved plus probable reserve additions (Mboe)	9,278.8
Proved plus probable reserve replacement	829%
Proved reserve additions (Mboe)	7,128.6
Proved reserve replacement	637%

### Contingent Resource Assessment

Sproule previously provided Novus with an independent Contingent Resource Assessment for the Company's Dodsland Viking light oil assets effective as at December 31, 2011 (the "Contingent Resource Assessment"), the intent of which was to independently assess the contingent resource potential of the area. Novus did not commission Sproule to perform an update to the Contingent Resource Assessment in 2012 given the growth in production and reserves the Company exhibited, and the significant amount of industry development in the area that occurred during the year.

### Measurements

Reported production represents Novus' ownership share of sales before the deduction of royalties. Where amounts are expressed on a barrel of oil equivalent ("boe") basis, natural gas has been converted at a ratio of six thousand cubic feet to one boe. This 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. Boe's may be misleading, particularly if used in isolation. References to natural gas liquids ("liquids") include condensate, propane, butane and ethane and one barrel of liquids is considered to be equivalent to one boe.

FOR FURTHER INFORMATION PLEASE CONTACT:

**NOVUS ENERGY INC.**

Hugh G. Ross  
President and CEO  
(403) 218-8895

Ketan Panchmatia  
Chief Financial Officer  
(403) 218-8876

Julian Din  
VP Business Development  
(403) 218-8896

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**Advisory Regarding Forward-Looking Statements**

*The information provided above includes references to discovered and undiscovered oil and natural gas resources. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resource.*

*This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward looking statements and information concerning the company's petroleum and natural gas production; reserves; undeveloped land holdings; business strategy; future development and growth opportunities; prospects; asset base; future cash flows; value and debt levels; capital programs; treatment under tax laws; and oil and natural gas prices. The forward-looking statements and information are based on certain key expectations and assumptions made by Novus, including expectations and assumptions concerning prevailing commodity prices and exchange rates, applicable royalty rates and tax laws; future well production rates and reserve volumes; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labour and services. Although Novus believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because Novus can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations.*

*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](http://www.sedar.com)), and at Novus' website ([www.novusenergy.ca](http://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.*

**Special Note Regarding Disclosure of Reserves or Resources**

*"Discovered Petroleum Initially-In-Place" (equivalent to discovered resources) is defined in the Canadian Oil and Gas Evaluation Handbook as that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially-in-place includes production, reserves, and contingent resources; the remainder is unrecoverable. "Contingent resources" are defined in the COGE Handbook as those quantities of petroleum estimated to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental,*

*political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. The Contingent Resources estimates and the DPIIP estimates are estimates only and the actual results may be greater than or less than the estimates provided herein. There is no certainty that it will be commercially viable to produce any portion of the resources except to the extent identified as proved or probable reserves. "Best estimate" is defined in the COGE Handbook with respect to entity level estimates, as the value derived by an evaluator using deterministic methods that best represent the expected outcome with no optimism or conservatism. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.*