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News Release

LONE PINE RESOURCES ANNOUNCES SECURITYHOLDER MEETINGS AND JOINT INFORMATION CIRCULAR FOR BUSINESS COMBINATION WITH ARSENAL ENERGY INC.

Calgary, Alberta – August 10, 2016 – Lone Pine Resources Canada Ltd. ("Lone Pine") is pleased to confirm that a special meeting of its securityholders will be convened on September 8, 2016 to consider and vote upon the previously-announced business combination of Lone Pine and Arsenal Energy Inc. ("Arsenal") by way of an arrangement under the *Business Corporations Act* (Alberta) (the "Arrangement"). A joint information circular of Lone Pine, Lone Pine Resources Inc. and Arsenal dated August 5, 2016 (the "Joint Circular"), which contains detailed information about the Arrangement and related matters, has been prepared by the parties, will be sent to affected Lone Pine and LPRI securityholders in the coming days, and is now available electronically through the Lone Pine website at www.lonepineresources.com under the Investor Relations tab.

As described in the June 24, 2016 joint news release of Lone Pine and Arsenal first announcing the transaction, the Arrangement will bring together Lone Pine and Arsenal under a new parent corporation, now formed as Prairie Provident Resources Inc. ("Prairie Provident"), of which Lone Pine and Arsenal will become direct or indirect wholly-owned subsidiaries. Completion of the Arrangement will result in the shareholders of Lone Pine and Arsenal receiving common shares of Prairie Provident in substitution for their existing shares, with Prairie Provident in turn holding the combined undertakings of Lone Pine and Arsenal. Upon completion, former Lone Pine shareholders and other stakeholders will hold 77% of the fully-diluted Prairie Provident shares, and former Arsenal shareholders (including with respect to shares issued before closing in settlement of outstanding Arsenal incentive plan awards) will hold 23%.

Based on Prairie Provident having a fully-diluted share count at closing of 100,000,000 common shares, 77,000,000 shares will be issuable to Lone Pine stakeholders and 23,000,000 shares will be issuable to Arsenal shareholders. Of those shares issuable to Lone Pine stakeholders: (i) approximately 60.9 million will be issued on closing to former holders of Series 1 preferred shares; (ii) approximately 13.9 million will be issued on closing to former holders of Class A common shares; (iii) approximately 1.2 million will be issued on the 15th business day after closing to holders of previously-vested restricted share units; and (iv) the balance of approximately 1.0 million will be issuable to holders of unvested restricted share units previously issued by Lone Pine or to holders of new incentive awards expected to be issued by Prairie Provident in connection with the Arrangement.

The ratios at which Prairie Provident shares are issued under the Arrangement in substitution for Lone Pine shares and Arsenal shares, respectively, will result in the proportionate interests described above. For Lone Pine shareholders, the applicable ratios are 0.8117105 of a Prairie Provident share for every Series 1 preferred share, and 0.5544092 of a Prairie Provident share for every Class A common share.

A special meeting of the stockholders of Lone Pine's affiliate, Lone Pine Resources Inc. ("LPRI"), will also be convened on September 8, 2016 to consider and vote upon the Arrangement, including in particular a merger thereunder that results in LPRI, as surviving corporation, becoming a wholly-owned subsidiary of Prairie Provident and the existing LPRI common stock being cancelled.

The specific terms of the Arrangement are set forth in the plan of arrangement attached to and forming part of the amended and restated arrangement agreement between Lone Pine and Arsenal, amended as of August 2, 2016 and effective as of June 23, 2016 (the "Arrangement Agreement"), pursuant to which the Arrangement is proposed. In accordance with the Arrangement Agreement, an agreement and plan of merger respecting LPRI was entered into on August 5, 2016 (the "Merger Agreement").

Detailed information regarding the Arrangement, the Arrangement Agreement, the Merger Agreement, the meetings of Lone Pine securityholders and LPRI stockholders, Prairie Provident, Lone Pine and LPRI, among other matters, is contained in the Joint Circular. Complete copies of the Arrangement Agreement and the Merger Agreement are included in the Joint Circular.

Copies of the Joint Circular, including the notices of meeting and other matters therein, will be sent to affected Lone Pine securityholders and LPRI stockholders in the coming days, together with related proxy and letter of transmittal forms for use by registered Lone Pine securityholders. A copy of the Joint Circular has also been posted to the Lone Pine website at www.lonepineresources.com under the Investor Relations tab.

The record date for determining shareholders entitled to receive notice of and vote at the Lone Pine and LPRI meetings is July 27, 2016.

In connection with the Arrangement, the Lone Pine shareholders will also be asked to consider a resolution approving a stock option plan and an incentive security plan for Prairie Provident, all as more particularly described in the Joint Circular.

The Lone Pine and LPRI boards of directors have unanimously approved the Arrangement and recommend that the Lone Pine securityholders and LPRI stockholders vote in favour of the Arrangement, and in connection therewith that the Lone Pine shareholders vote in favour of the Prairie Provident incentive plans, at the meetings described herein. Lone Pine securityholders and LPRI stockholders are encouraged to cast their votes early in the manner described in the Joint Circular and applicable form of proxy.

Completion of the Arrangement is subject to various conditions as set out in the Arrangement Agreement and described in the Joint Circular, including approval by the requisite majorities of Lone Pine securityholders and LPRI stockholders at the special meetings described herein (particulars of which are set out in the Joint Circular), approval of the Arsenal securityholders at a special meeting also scheduled for September 8, 2016, approval of the Court of Queen's Bench of Alberta pursuant to section 193 of the *Business Corporations Act* (Alberta), and approval by the Toronto Stock Exchange of the listing of the Prairie Provident common shares.

Subject to obtaining all requisite approvals and to satisfaction or waiver of all other conditions to closing, the Arrangement is currently expected to be completed on September 12, 2016.

Investor and Contact Information

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Forward-Looking Statements

This news release contains statements regarding securityholder meeting dates, the dissemination of proxy materials, and the closing of the Arrangement that constitute forward-looking information within the meaning of applicable securities laws. Such statements relate to future events or circumstances and are therefore subject to inherent risks and uncertainties. The forward-looking statements herein are based upon internal assumptions, plans, intentions, expectations and beliefs regarding, among other things, the time required to comply with shareholder communication procedures and the ability to obtain all necessary securityholder, court, stock exchange and other third party approvals on a timely basis. There can be no assurance that the assumptions, plans, intentions, expectations and beliefs contained in the forward-looking statements or upon which they are based will in fact occur or be realized, and actual results or outcomes may differ from those expressed or implied in such statements.