NEWS RELEASE

Seven Generations Energy Ltd. Reports Second Quarter Results

Calgary, Alberta. September 3, 2014 - Seven Generations Energy Ltd. ("7G" or the "Company") is pleased to report its second quarter 2014 operating and financial results. Second quarter production averaged a record 23,999 boe/d, an increase of 288% from the second quarter of 2013, and funds from operations also set a record at $66 million. Second quarter net income for 2014 was $44 million or $0.41 per share on a fully diluted basis.

In the second quarter of 2014, Mr. Marty Proctor joined 7G as President and Chief Operating Officer. Marty brings to the Company over 27 years of diversified petroleum engineering and oil and gas management experience, most recently as the Chief Operating Officer of Baytex Energy, a position he held from January 2009 until May 2014.

Subsequent to the second quarter of 2014, the Company announced the results of its independent reserve evaluation from McDaniel & Associates Consultants Ltd. From the previous reserve evaluation, six months earlier, effective December 31, 2013, Proved Plus Probable ("2P") reserves increased 129% and the corresponding Proved Plus Probable reserves value (10% discount, before tax) increased 127%.

	Gross Reserves (MMboe)		Change	Before Tax NPV10 ($MM)		Change
	Jul 2014	Dec 2013		Jul 2014	Dec 2013	
Proved	328.0	107.2	206%	$3,284.9	$1,023.4	221%
2P	649.1	283.3	129%	$7,032.4	$3,103.7	127%
% liquids (2P)	55%	51%				

Operational Highlights

- During the second quarter of 2014, 7G rig-released 15 wells with an average horizontal lateral length of approximately 2700m, completed nine wells, and brought seven new wells on production.
- The Company increased its active drilling rig count to nine rigs during the quarter (from seven rigs at the beginning of the year).
- 7G achieved operating netbacks of $39.99 per boe in the second quarter of 2014, a 39% increase over the second quarter of 2013 and a 4% increase over the first quarter of 2014.
- During the second quarter of 2014, 7G completed a number of land transactions which resulted in a net acquisition of 107 sections of Montney land. These transactions bring 7G's total acreage position to 547 net sections, including 516 net sections of petroleum and natural gas rights in the Montney formation, a 29% increase since the beginning of 2014.
- At the end of the second quarter of 2014, the Company entered into an agreement to double previously contracted rich gas delivery volumes on the Alliance pipeline system and through Aux Sable's extraction and fractionation facilities. Contracted volumes increased from 250 MMcf/d in Q4 2015 to 500 MMcf/d in Q4 2018.

Financial Update

- As a result of significant increases in production volumes and strong commodity pricing, revenue increased 440% in the second quarter of 2014 versus the same period last year, and 19% over the first quarter of 2014.
- Funds from operations per share for the quarter were $0.61 per share (diluted), a 455% increase over the second quarter of 2013, and a 20% increase over the first quarter of 2014.
- Net capital investments for the quarter totaled $219 million, with approximately 71% invested on drilling and completions and 16% on facilities and well equipment.
- During the second quarter of 2014, the Company completed a $633 million secondary equity offering providing partial liquidity to its four founding major shareholders.

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	Three months ended June 30			Six months ended June 30		
	2014	2013	Change	**2014**	2013	Change
OPERATIONAL						
Total land holdings						
Gross acres	**359,520**	236,000	52%	**359,520**	236,000	52%
Net acres	**350,244**	228,153	54%	**350,244**	228,153	54%
Undeveloped land holdings						
Gross acres	**285,436**	191,196	49%	**285,436**	191,196	49%
Net acres	**279,537**	186,542	50%	**279,537**	186,542	50%
Rig count	**9**	2	350%	**9**	2	350%
Production						
Oil and NGL (bbls/d)	**14,005**	2,994	368%	**12,813**	3,251	294%
Natural gas (Mcf/d)	**59,963**	19,127	213%	**55,874**	17,764	215%
Total (boe/d)	**23,999**	6,182	288%	**22,125**	6,211	256%
Liquids ratio	**58%**	48%	21%	**58%**	52%	12%
Product prices (1)						
Oil and NGL ($/bbl)	**73.55**	57.78	27%	**73.34**	55.35	33%
Natural gas ($/Mcf)	**5.36**	4.04	33%	**5.56**	3.86	44%
Operating and transportation expense ($/boe)	**8.97**	11.90	(25)%	**10.54**	10.99	(4)%
Operating netback ($/boe) (2)	**39.99**	28.76	39%	**39.34**	27.72	42%
General administrative expenses ($/boe) (3)	**2.40**	3.87	(38)%	**2.10**	3.61	(42)%
FINANCIAL ($000s, except for per share amounts)						
Revenue	**122,996**	22,784	440%	**226,327**	44,989	403%
Funds from operations	**65,972**	9,223	615%	**120,136**	22,379	437%
Funds from operations per share – diluted	**0.61**	0.11	455%	**1.12**	0.26	331%
Net income (loss)	**43,926**	(8,454)	620%	**45,090**	(7,578)	695%
Net income (loss) per share – diluted	**0.41**	(0.10)	510%	**0.42**	(0.09)	567%
Capital investments, net of dispositions	**219,124**	121,436	80%	**412,173**	253,905	62
Weighted average shares outstanding – diluted	**107,480**	86,582	24%	**106,854**	86,674	23%
Working capital (4)	**277,222**	268,137	3%	**277,222**	268,137	3%
Net debt (5)	**(469,678)**	(152,583)	208%	**(469,678)**	(152,583)	208%

(1) Prices exclude realized gains and losses on risk management contracts.
(2) Operating netback is calculated on a per-boe basis and is defined as revenue (including realized hedging gains and losses plus third party income) less royalties, operating expenses and transportation costs.
(3) Excludes interest and financing charges.
(4) Working capital excludes unrealized risk management contracts and deferred credits.
(5) Debt as reported represents US$ principal amount of senior notes converted to Canadian dollars at the closing exchange rate for the period.

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About 7G

Seven Generations Energy Ltd. (“7G”) is a private, Canadian company engaged in the development of the Kakwa River Project (the "Project"). Located approximately 100 kilometers south of Grande Prairie, Alberta, the Project is a tight, liquids rich gas and light oil project in the early stages of development. Management believes it contains a potential production capacity of more than 2 billion cubic feet per day of natural gas and more than 200 thousand barrels per day of natural gas liquids (including condensate). 7G has a corporate headquarters in Calgary, Alberta and an operations headquarters in Grande Prairie, Alberta.

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Advisories

This press release may contain forward-looking information and statements regarding the Company. Any statements included in this press release that address activities, events or developments that the Company “expects,” “believes,” “plans,” “projects,” “estimates” or “anticipates” will or may occur in the future are forward-looking statements. Actual results may differ materially due to a variety of important factors. Among other items, such factors might include: planned and unplanned capital expenditures; changes in general economic conditions; uncertainties in reserve, resource and production estimates; unanticipated recovery or production problems; weather-related interference with business operations; the effects of delays in completion of, or shut-ins of, gas and liquids gathering systems, pipelines and processing facilities; potential costs associated with complying with new or modified regulations; oil and natural gas prices and competition; the impact of derivative positions; production expense estimates; cash flow and cash flow estimates; drilling and operating risks; the Company’s ability to replace oil and gas reserves; volatility in the financial and credit markets or in oil and natural gas prices; effects of regulation by governmental agencies including changes in environmental regulations, tax laws and royalties. Except as required by law, the Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change. Do not place undue reliance on forward-looking information.

Seven Generations has adopted the standard of 6 Mcf:1 bbl when converting natural gas to oil equivalent. ***boe 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.*** *Given the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1 bbl, utilizing a conversion ratio at 6 Mcf: 1 bbl may be misleading as an indication of value.*