PETROSHALE ANNOUNCES RESULTS FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2013 AND UPDATED RESERVES

CALGARY, ALBERTA, April 24, 2014 – PetroShale Inc. ("PetroShale" or the "Company") (TSXV: PSH, OTCQX: PSHIF) today announces its financial and operating results for the six month period ended December 31, 2013, as well as its updated reserves as at December 31, 2013. The Company changed its financial year-end from June 30 to December 31 and as a result, the current reporting period is a six month stub period (July 1, 2013 to December 31, 2013), with the comparative period being the twelve months ended June 30, 2013. The Company's next reporting period will be the three months ended March 31, 2014.

PetroShale has filed its audited consolidated financial statements as at and for the period ended December 31, 2013 and the corresponding Management's Discussion and Analysis on SEDAR at www.sedar.com, and posted the information on PetroShale's website at www.petroshaleinc.com. Copies of the materials can also be obtained upon request without charge by contacting the Company directly.

Highlights:

- Reported production of 185 boe/d (Company interest, gross of royalty - 147 boe/d net of royalty interest), an increase of 52% over the year ended June 30, 2013, primarily due to the production generated from the Company's Stockyard Creek and Antelope/MJ Angus assets, which were acquired in August and May of 2013, respectively;
- Reported a strong operating netback of $56.75 (Company interest, gross of royalties, and excluding the impact of hedging - $71.58 net of royalty interest), reflecting higher realized pricing and lower operating expenses;
- Subsequent to the end of the period, completed two additional acquisitions in North Dakota, including the North Antelope Project operated by EOG Resources Inc. ("EOG"), and the acquisition of a 19% interest in 1,280 total acres of undeveloped land in Williams County, North Dakota, both of which add to the Company's growing base of existing or near-term cash flowing assets;
- Secured a subordinated loan facility with two significant shareholders, which provides PetroShale access to a $20 million revolving line of credit; and
- Increased proved plus probable ("P+P") reserves by 88% to 701.2 Mboe (561.9 Mboe net of royalty interest) as at December 31, 2013, and after reflecting acquisitions completed in the first quarter of 2014, P+P reserves increased further to 2,188 Mboe (1,750 Mboe net of royalty interest) on a pro forma basis.

Results of Oil and Gas Activities

For the period ended	**Six Months Ended December 31, 2013**	Year Ended June 30, 2013
Sales volumes		
Oil and natural gas liquids (Bbl/d)	**165**	118
Natural gas (Mcf/d)	**124**	29
Barrel of oil equivalent (Boe/d)	**185**	122
Operating Netbacks ($/Boe)		
Revenue	**$ 89.80**	$ 83.02
Royalties	**(18.61)**	(18.59)
Realized hedge gain	**0.23**	-
Operating expenses	**(9.87)**	(14.56)
Production taxes	**(4.57)**	(2.19)
Operating netback	**$ 56.98**	$ 47.68
Operating netback prior to hedging	**$ 56.75**	$ 47.68

Funds flow from operations was $264,000 for the six month period ended December 31, 2013 compared to $207,000 for the year ended June 30, 2013. For the six month period ended December 31, 2013, the Company reported a net loss of $2.7 million ($0.09 per share), compared to a loss of $21.1 million ($0.73 per share) for the year ended June 30, 2013.

2013 Year-End Reserves:

The reserves data in this press release is based upon evaluations by Netherland, Sewell & Associates, Inc. ("NSAI") with respect to our assets in the United States, and by Jim McIntosh Petroleum Engineering Ltd. ("McIntosh") with respect to our Canadian assets, all with an effective date of December 31, 2013. The reserves data summarizes PetroShale's crude oil, natural gas liquids and natural gas reserves and the net present values of future net revenue for these reserves using forecast prices and costs, not including the impact of any price risk management activities. The reserves data described herein as pro forma reflect an evaluation performed by NSAI of our United States assets, including those arising from the acquisitions completed by the Company subsequent to December 31, 2013, with an effective date of December 31, 2013, aggregated with the evaluation of our Canadian assets as described above. The Reserve Reports have been prepared in accordance with the standards contained in the COGE Handbook and the reserve definitions contained in NI 51-101 and CSA 51-324. No attempt was made to evaluate possible reserves.

Reserves Highlights:

- P+P reserves as at December 31, 2013 increased 88% to 701.2 Mboe (561.9 Mboe net of royalty), while total proved reserves increased 57% to 553.0 Mboe (448.5 Mboe net of royalty).

- 86% of PetroShale's total P+P reserves on a boe basis are light, sweet oil, and 94% are attributed to the U.S assets located in North Dakota and Montana.

- Before tax net present value (discounted at 10%) ("NPV10") of the Company's P+P reserves totaled $15.0 million, while the NPV10 of total proved reserves increased to $13.5 million.

- Following completion of acquisitions in the first quarter of 2014, pro forma P+P reserves increased further to 2,188 Mboe (1,750 Mboe net of royalty) with an NPV10 of $44.1 million.

Gross Company Interest Reserves

AGGREGATED CANADA AND UNITED STATES OIL & GAS ASSETS								
	RESERVES							
	LIGHT AND MEDIUM OIL		NATURAL GAS		NATURAL GAS LIQUIDS		BOE	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
RESERVES CATEGORY	(Mbbls)	(Mbbls)	(MMcf)	(MMcf)	(Mbbls)	(Mbbls)	(Mboe)	(Mboe)
PROVED:								
Developed Producing	305.9	256.4	234.0	193.2	-	0.6	344.9	289.2
Developed Non-Producing	44.1	33.7	56.4	43.1	-	-	53.5	40.9
Undeveloped	128.2	98.2	158.1	121.0	-	-	154.6	118.4
TOTAL PROVED	478.2	388.3	448.5	357.3	-	0.6	553.0	448.5
PROBABLE	123.2	94.3	149.6	114.6	-	-	148.1	113.4
TOTAL PROVED PLUS PROBABLE	601.4	482.6	598.1	471.9	-	0.6	701.2	561.9

Columns may not add due to rounding.

Net Present Value of Future Net Revenue

AGGREGATED CANADA AND UNITED STATES OIL & GAS ASSETS					
	BEFORE INCOME TAXES DISCOUNTED AT (%/year)				
RESERVES CATEGORY	0%	5%	10%	15%	20%
	($000s)	($000s)	($000s)	($000s)	($000s)
PROVED:					
Developed Producing	18,602.3	12,853.5	9,949.7	8,221.4	7,078.3
Developed Non-Producing	2,595.4	2,118.8	1,821.7	1,621.1	1,476.7
Undeveloped	4,375.3	2,720.6	1,762.2	1,147.8	727.2
TOTAL PROVED	25,573.0	17,692.9	13,533.6	10,990.3	9,282.2
PROBABLE	4,119.4	2,437.9	1,485.6	891.0	488.3
TOTAL PROVED PLUS PROBABLE	29,692.4	20,130.8	15,019.2	11,881.3	9,770.5

Columns may not add due to rounding.

Reserves Reconciliation - Aggregate

	TOTAL CANADA (MBOE)			TOTAL UNITED STATES (MBOE)			TOTAL (MBOE)		
	Gross Proved	Gross Probable	Gross Proved Plus Probable	Gross Proved	Gross Probable	Gross Proved Plus Probable	Gross Proved	Gross Probable	Gross Proved Plus Probable
June 30, 2013	44.5	-	44.5	306.6	21.7	328.2	351.1	21.7	372.8
Discoveries	-	-	-	-	-	-	-	-	-
Improved Recovery	3.9	-	3.9	-	-	-	3.9	-	3.9
Technical Revisions	-	-	-	38.7	(0.5)	38.2	38.7	(0.5)	38.2
Acquisitions	-	-	-	196.6	127.6	324.2	196.6	127.6	324.2
Dispositions	-	-	-	-	-	-	-	-	-
Economic Factors	-	-	-	(1.1)	(0.6)	(1.7)	(1.1)	(0.6)	(1.7)
Production	(2.8)	-	(2.8)	(33.4)	-	(33.4)	(36.2)	-	(36.2)
December 31, 2013	45.6	-	45.6	507.4	148.2	655.5	553.0	148.2	701.2

Columns may not add due to rounding.

Letter to shareholders:

Throughout calendar 2013, we enhanced PetroShale's strategic position, which included changing the Company's year end to December 31. As a result of this change, this report provides our results and discusses our achievements for the six month period from July 1, 2013 to December 31, 2013.

As part of our ongoing strategy to acquire and consolidate working interests in the prolific Williston Basin in North Dakota, we completed several acquisitions that we anticipate will contribute to growth in production, reserves and cash flows. In August, 2013, we partnered with Slawson Exploration Inc. ("Slawson"), one of the largest private operators in the Williston Basin, to acquire certain assets within the Stockyard Creek field (situated in southern Williams County, North Dakota). These assets included 106 net leased acres giving the Company a 5.5% interest in a 17 well drilling program over three 640 acre sections. The Stockyard Creek assets are operated by Slawson, and to date include the successful drilling and completion of five wells, including four new wells that came on production in February 2014.

Subsequent to the end of 2013, two additional acquisitions were completed. The first was the acquisition of the North Antelope Project in McKenzie County, North Dakota, operated by EOG, a large and experienced operator in shale oil plays, including the Bakken. The Antelope Project provides PetroShale with an 18.75% working interest in a proposed drilling unit, which has been spaced for the drilling of 8 wells. Based on current capital plans, we expect results from those wells should have a positive impact on PetroShale's production and cash flows later in 2014. The second acquisition we completed after year end 2013 was the purchase of 245 net held-by-production acres, giving the Company an approximate 19% working interest in a 1,280 acre drilling unit in Williams County, North Dakota.

As a result of our activities to date, PetroShale's production has grown to approximately 240 boe/d currently. Following the acquisitions completed in the first quarter of 2014, our pro forma P+P reserves increased to approximately 2,188 Mboe (1,750 Mboe net of royalty), with a NPV10 of $44.1 million.

In addition to growing the Company's asset base, we also took steps in the latter half of 2013 to strengthen our Board and management team. PetroShale's management team and Board have extensive experience in managing and governing high-growth oil and natural gas entities. We look forward to a focused expansion of our operations in the Williston Basin.

We appreciate your continued support of PetroShale, and look forward to updating you on our progress and achievements in our next financial report, for the first quarter ended March 31, 2014.

((signed))

M. Bruce Chernoff
Executive Chairman and CEO

About PetroShale

PetroShale is a growing oil company engaged in the acquisition and consolidation of interests in the Williston Basin in North Dakota and Montana. The strategy focuses on acquiring leases in the most prolific and proven areas of the Williston Basin.

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Note Regarding Forward-Looking Statements and Other Advisories

It should not be assumed that the discounted future revenue estimated by NSAI represent the fair market value of the reserves. Company interest means, in relation to the Company's interest in production and reserves, the Company's working interest (operating and non-operating) before the deduction of royalties payable and including such entity's royalty interest in production and reserves. Where volumes of reserves and production have been presented, they have been presented as company working interest, gross of royalties. All operating netbacks referenced in this press release are Company working interest. Relative price deck used by NSAI and McIntosh in their reserves evaluations has been disclosed within our Annual Information Form, which will be available on our SEDAR profile. All dollar figures included herein are presented in Canadian dollars, unless otherwise noted.

Within this press release, references are made to terms commonly used in the oil and natural gas industry. The term "netback" or "operating netback" in this press release is not a recognized measure under generally accepted accounting principles in Canada. PetroShale uses "netback" as a key performance indicator and it is used by the Company to evaluate the operating performance of its petroleum and natural gas assets and is determined by deducting royalties and production and operating expenses from petroleum and natural gas revenue. Readers are cautioned; however, that this measure should not be construed as an alternative to net earnings or cash flow from operating activities determined in accordance with generally accepted accounting principles in Canada as an indication of our performance. "Funds flow from operations" is calculated based on cash flow from operating activities before the change in non-cash working capital and settlement of decommissioning obligations. PetroShale believes the timing of collection, payment or incurrence of these items involves a high degree of discretion and as such may not be useful for evaluating PetroShale's operating performance. Management utilizes funds flow from operations as a key measure to assess the ability of the Company to finance operating activities and capital expenditures. Funds flow from operations should not be construed as an alternative to net earnings or cash flow from operating activities determined in accordance with GAAP as an indication of PetroShale's performance. A reconciliation of funds flow from operations to cash flow from operating activities is provided in the MD&A.

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to aspects of management focus, objectives, strategies and business opportunities. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. Statements relating to "reserves" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves or resources can be profitably produced in the future. The forward-looking information is based on certain key expectations and assumptions made by the Company's management, including expectations and assumptions concerning prevailing commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; future production rates and estimates of operating costs; performance of existing and future wells; reserve and resource volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labor and services; the impact of increasing competition; ability to market oil and natural gas successfully; the Company's ability to access capital, ad obtaining the necessary regulatory approvals.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide security holders with a more complete perspective on the Company's future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect our 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). These forward-looking statements are made as of the date of this press release and the Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Where amounts are expressed on a barrel of oil equivalent ("boe") basis, natural gas volumes have been converted to boe using a ratio of 6,000 cubic feet of natural gas to one barrel of oil (6 Mcf: 1 Bbl). **This boe conversion 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. Given the value ratio based on the current price of crude 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.**