



**SURMONT ENERGY LTD. ANNOUNCES SUBMISSION OF
APPLICATIONS FOR THE 12,000 BPD WILDWOOD OIL SANDS PROJECT
NEAR FT. MCMURRAY, ALBERTA**

CALGARY, ALBERTA -- (October 4, 2012) – Calgary-based private company Surmont Energy Ltd. (“Surmont”, or the “Company”) is pleased to announce that applications for regulatory approval have been submitted to the Alberta Energy Resources Conservation Board and the Government of Alberta’s Department of Environment and Sustainable Resource Development, for the Company’s 12,000 barrel per day (BPD) Wildwood SAGD Project.

These applications were submitted by Surmont as operator and 80% owner of the proposed project. Bounty Developments Ltd. (“Bounty”) holds the remaining 20%.

HIGHLIGHTS

- Surmont plans to apply conventional Steam-Assisted Gravity Drainage (SAGD) technology to produce bitumen from a high-quality McMurray oil sands reservoir located approximately 65 km south of Ft. McMurray, Alberta.
- Production is forecasted to commence in 2015 or 2016, and to ramp up to approximately 12,000 BPD over one to two years. Peak production is projected to continue for about 15 years, with an overall project life of 24 years or more.
- No issues have been identified with reservoir quality, caprock integrity, reservoir top gas, reservoir bottom water, or associated natural gas.
- Conventional water treatment, steam generation, and bitumen/water/gas production technologies are to be applied at a central processing facility.
- The central processing facility’s design includes a natural gas-fuelled cogeneration power plant; however, discussions are also underway for supply of primary or back-up power via the electricity grid.

The contents of these regulatory applications may be viewed via Surmont’s website, at:

www.surmontenergy.com/WildwoodProjectApplications

Surmont estimates that the process for regulatory review of its application could require 15 to 18 months. The project applicant will normally, within four to six months of application submission, receive Supplemental Information Requests listing additional information to be provided.

Surmont is continuing its process of consultation with aboriginal, public, and Industry stakeholders in conjunction with the application review process.

OPERATIONS

Surmont and Bounty are developing plans for exploration of the balance of the Wildwood oil sands leases in upcoming winter seasons, with the objective of developing expansions to the project. Such additional expansions could further increase the project's lifespan and peak rates.

Work has also commenced for financing the engineering, procurement, construction and drilling activities to implement the Wildwood SAGD Project, which has capital investment requirements over the next several years totaling in excess of \$500 million.

A MAJOR MILESTONE ATTAINED

Surmont's submission of these regulatory applications marks the attainment of an important milestone for the Company. Since being founded less than a year ago, Surmont has:

- raised its initial tranche of investment capital;
- executed successful 3-D seismic field acquisition and corehole drilling programs to earn its 80% interest in the Wildwood lands;
- confirmed sufficient bitumen resources to support a full-scale oil sands production scheme; and,
- prepared and submitted its comprehensive application for regulatory approval of the 12,000 BPD Wildwood SAGD Project.

These achievements would not have been possible without the investments made by our shareholders and the outstanding contributions of Surmont's project team including members from co-venturer Bounty, consultants, and contractors.

ABOUT SURMONT ENERGY LTD.

Surmont Energy Ltd. is a privately held oil sands company founded in October 2011 and headquartered in Calgary, Alberta. The Company focuses on utilizing environmentally responsible technologies to carry out profitable development of oil sands projects in western Canada. Surmont's initial project is located on a 12,000-acre block of oil sands leases in the heart of Alberta's steam-assisted gravity drainage (SAGD) project region, in respect of which the Company has submitted regulatory applications for the 12,000 BPD Wildwood SAGD project.

FURTHER INFORMATION

For further information, please visit Surmont's website at www.surmontenergy.com

This information release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law including, but not necessarily being limited to, final regulatory approval from authorities with jurisdiction. Forward-looking statements are frequently characterized by words such as "plan", "expect", "estimate", "intend", "believe", "anticipate", "proposed", "prospective" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on Surmont's experience and current beliefs as well as assumptions made by, and information currently available to, Surmont, and are subject to a variety of risks and uncertainties including, but not limited to, those associated with resource definition, unanticipated costs and expenses, unavailability of key inputs, regulatory approvals, fluctuating oil and gas prices, and the ability to access sufficient capital under suitable

conditions. Although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the assumptions and factors discussed in this information release are not exhaustive and readers are not to place undue reliance on forward-looking statements. Surmont expressly disclaims any intention or obligation to update or revise any forward-looking statements as a result of new information, future events or otherwise, subsequent to the date of this message, except as required under applicable securities legislation. The forward-looking statements are expressly qualified by these cautionary statements.

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