



**SURMONT ENERGY ANNOUNCES RESULTS OF INDEPENDENT RESOURCES EVALUATION
OF ITS OIL SANDS LEASES NEAR FT. MCMURRAY, ALBERTA
AND PROVIDES CORPORATE AND OPERATIONS UPDATES**

CALGARY, ALBERTA -- (December 7th, 2012) – Calgary-based Surmont Energy Ltd. (“Surmont”, or the “Company”) is pleased to announce that independent qualified reserves evaluation firm GLJ Petroleum Consultants Ltd. (“GLJ”) has updated its evaluation of Surmont’s oil sands leases located near Fort McMurray, Alberta (the “GLJ Report”). The updated GLJ Report was initiated as a result of Surmont’s recent submission of regulatory applications for its 12,000 barrel per day (“bbl/d”) Wildwood oil sands project together with the completion of additional engineering.

The GLJ Report was prepared in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* (“NI 51-101”) and the *Canadian Oil and Gas Evaluation Handbook* (“COGE Handbook”), with an effective date of November 30, 2012, and using GLJ’s forecast prices and costs as at that date.

HIGHLIGHTS OF THE GLJ REPORT

- Of the 131.0 million barrels (“mmbbl”) of Contingent Resources (Best Estimate) assigned previously by GLJ (104.8 mmbbl net to Surmont’s 80% interest), **49.6 mmbbl have now been reclassified to Probable Reserves (2P)** (39.7 mmbbl net to Surmont).
- This reserve reclassification reflects the continued progress and high quality of Surmont’s Wildwood SAGD Project.
- **81.4 mmbbl** continue to be classified as **Contingent Resources (Best Estimate)** (65.1 mmbbl net to Surmont).
- An additional **20.4 mmbbl of Prospective Resources (Best Estimate)** continue to be assigned (16.3 mmbbl net to Surmont).

SUMMARY OF RESERVES ^{4,5,6,9,10,11,12,13}

Heavy Oil (Bitumen) (Millions of Barrels)

| | 1P | 2P | 3P |
|-------------------------------|-----------|-------------|-------------|
| Gross Lease | 0 | 49.6 | 78.9 |
| Total Company Interest | 0 | 39.7 | 63.2 |
| Net After Royalties | 0 | 32.8 | 48.9 |

SUMMARY OF CONTINGENT RESOURCES ^{1,2,3,4,7,9,10,11,12,13}

| | Heavy Oil (Bitumen) (Millions of Barrels) | | |
|-------------------------------|--|----------------------|----------------------|
| | <u>Low Estimate</u> | <u>Best Estimate</u> | <u>High Estimate</u> |
| Gross Lease | 61.0 | 81.3 | 155.5 |
| Total Company Interest | 48.8 | 65.1 | 124.4 |
| Net After Royalties | 40.7 | 50.8 | 96.1 |

SUMMARY OF PROSPECTIVE RESOURCES ^{4,8,9,10,11,12,13}

| | Heavy Oil (Bitumen) (Millions of Barrels) | | |
|-------------------------------|--|----------------------|----------------------|
| | <u>Low Estimate</u> | <u>Best Estimate</u> | <u>High Estimate</u> |
| Gross Lease | 0 | 20.4 | 37.8 |
| Total Company Interest | 0 | 16.3 | 30.2 |
| Net After Royalties | 0 | 13.7 | 23.4 |

Note: "Gross Lease" represents 100% interest values; "Total Company Interest" represents Surmont's 80%.

CORPORATE UPDATE

With Surmont now having achieved the major milestone of booking initial reserves at its Wildwood SAGD Project and having filed its application for approval for its 12,000 barrel per day Phase 1 project, Mr. William Cooper, the primary founding shareholder of Surmont, has, as planned, provided his resignation from the role of President of the Company. Mr. Cooper plans to continue as a Surmont director and has committed to being actively involved in providing financing for the Company.

Surmont's Chief Executive Officer, Mr. Mark R. Smith, commented that "Bill has been the main driver of Surmont's creation, and his exceptional achievements have allowed us to exceed the goals he set for our company just over a year ago. We are grateful for his contributions to date and look forward to his continued service as a Board member and financing advisor."

OPERATIONS

Surmont submitted applications in early October 2012 for its 12,000 barrel per day Wildwood oil sands project, and together with its 20% coventurer Bounty Developments Ltd., is planning further exploration of the rest of the lease area in upcoming seasons with the objective of developing additional expansions to the project. Such additional expansions could further increase the project's life and peak rates.

Work has commenced for financing the engineering, procurement, construction and drilling activities, with estimated capital expenditures over the next several years in excess of \$500 million.

NOTES

1. Economic Contingencies

GLJ's evaluation of Contingent Resources is based upon the same fiscal conditions as applicable in the assessment of reserves and, as such, the estimated recoverable resource volumes are economically recoverable resources; there is no economic contingency.

2. Technical Contingencies

Surmont's Wildwood development is based on the application of Steam-Assisted Gravity Drainage (SAGD) technology, which is an established technology in this oil sands formation in this geographic area. There is no technical contingency with respect to the application of SAGD technology to the Wildwood development. Given the maturity of this project, additional drilling will, however, be required to fully characterize the oil sands reservoir and for development to proceed.

3. Non-Technical Contingencies

Non-technical contingencies include SAGD facility design, preparation of more-detailed cost estimates and schedules to confirm project economics, Company and coventurer sanctioning of firm plans to proceed with the project, receipt of required regulatory approvals on the schedule contemplated, the availability of required capital investment funds on suitable terms, and the availability of required equipment and services on the schedule contemplated.

4. Future Reclassifications

For reclassification of portions of the estimated Probable Reserves (2P) to Proved Reserves (1P), Surmont expects that it will, at a minimum, need to receive regulatory approval of its applications for Phase 1 of the Wildwood Project development and develop higher-accuracy cost estimates and schedules to confirm project economics, with first major capital investments forecast to occur within two to three years and first production within five years. Surmont submitted in early October 2012 its Phase 1 Wildwood Project regulatory applications. Additional delineation drilling and future regulatory applications will be necessary to develop the entire resource base and reserve base on these leases and correspondingly assign additional resources and reserves.

Successful future drilling will be necessary to allow reclassification of any portion of estimated Prospective Resources to Contingent Resources.

5. "Reserves" are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on: (a) analysis of drilling, geological, geophysical and engineering data; (b) the use of established technology; and (c) specified economic conditions.

6. "Probable Reserves (2P)" are defined are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved and probable reserves.

7. "Contingent Resources" are defined in the COGE Handbook as those quantities of resources estimated on a given date to be potentially recoverable from known accumulations using established technology or technology under development, but which do not currently qualify as reserves or 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. Contingent Resources are subject to the chance of development. There is no certainty that it will be commercially viable to produce any portion of the Contingent Resources or that Surmont will produce any portion of the volumes currently classified as Contingent Resources.

8. "Prospective Resources" are "undiscovered resources" as defined in the COGE Handbook. Undiscovered resources are defined as those quantities estimated on a given date to be contained in accumulations yet to be discovered. The estimates of the potentially recoverable portions of undiscovered resources are classified as Prospective Resources. Prospective Resources are defined as those quantities of resources estimated on a given date to be potentially recoverable from undiscovered accumulations. They are technically viable and economic to recover. Pursuant to s.5.9 (d)(v) of NI 51-101, Surmont cautions that there is no certainty that any portion of the Prospective Resources will be discovered, and that if discovered, there is no certainty that it will be commercially viable to produce any portion of the volumes currently classified as Prospective Resources or that Surmont will produce any portion of the volumes currently classified as Prospective Resources.

9. "Low Estimate" values are considered to be a conservative estimate of the quantity of resources and reserves that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the Low Estimate. Those resources and reserves at the low end of the estimate range have the highest degree of certainty - a 90% confidence level - that the actual quantities recovered will be equal or exceed the estimate.

10. "Best Estimate" values are considered to be the best estimate of the quantity of resources and reserves that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the Best Estimate. Those resources that fall within the Best Estimate have a 50% confidence level that the actual quantities recovered will be equal or exceed the estimate.

11. "High Estimate" values are considered to be an optimistic estimate of the quantity of resources and reserves that will actually be recovered. It is unlikely that the actual remaining quantities of resources and reserves recovered will meet or exceed the High Estimate. Those resources and reserves at the high end of the estimate range have a lower degree of certainty - a 10% confidence level - that the actual quantities recovered will equal or exceed the estimate.

12. "Bitumen" is defined under NI 51-101 as naturally occurring hydrocarbons with a viscosity greater than 10,000 centipoise. The resources at the Wildwood Project have a viscosity greater than this value and are classified as bitumen.

13. The Wildwood Project resource, reserve, and value estimates provided herein are estimates, and actual resources, reserves, future production, and value derived from such resources and reserves may be greater than or less than the estimates. The size of the resource and reserve estimates could be positively or negatively impacted, potentially materially, if delineation wells or seismic data indicate

that the aerial extent, reservoir quality and/or the thickness of the reservoir is different than estimated by GLJ, or if production performance is different than estimated by GLJ.

ABOUT SURMONT ENERGY LTD.

Surmont Energy Ltd. is an unlisted 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 and heavy oil 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. The Company has been conducting an accelerated exploration and delineation program, and has made regulatory approvals for its 12,000 bbl/day Wildwood SAGD project intended to lead to first production in 2015 or 2016.

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 limited to final regulatory approval from the Alberta Energy Resources Conservation Board and Alberta Environment. 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, regulatory approvals, fluctuating oil and gas prices, and the ability to access sufficient capital under suitable conditions to finance future acquisitions and development. 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.

CONTACT INFORMATION

Surmont Energy Ltd.
+1.800.972.8139 (Toll-free N. America)
+1.587.926.9472
info@surmontenergy.com
www.surmontenergy.com