



NEWS RELEASE JUNE 28, 2016

VERMILION ENERGY GERMANY GMBH & CO. KG ANNOUNCES ACQUISITION OF PRODUCING OIL AND GAS FIELDS IN LOWER SAXONY, GERMANY

Vermilion Energy Germany GmbH & Co. KG ("Vermilion") has entered into a definitive purchase and sale agreement whereby Vermilion will acquire interests in conventional production and exploration assets in Lower Saxony (the "Acquisition") from Engie E&P Deutschland GmbH. The Acquisition is anticipated to close in late Q4 2016 and is subject to customary closing adjustments.

The Acquisition includes operated and non-operated interests in nine oil and four gas producing fields with five operated oil fields located in the districts of Osthannover and three operated gas fields in Ostfriesland. Vermilion will also obtain operated interests in the Bedekaspel exploration license and an oil pipeline network. This acquisition will provide Vermilion with our first operated producing properties in Germany, further strengthening our presence in the country.

Vermilion initially entered Germany in early 2014 through the acquisition of a 25% non-operating interest in a four-partner consortium. In July 2015, we executed a significant exploratory farm-in agreement that provides us with participating interest in nearly 10,000 gross km² of undeveloped land, as well as access to key technical data in the North German Basin. This new Acquisition substantially advances our objective of developing a material business unit in Germany, a country with a long history of oil and natural gas development.

About Vermilion

Vermilion Energy Germany GmbH & Co. KG is the Germany-based operating subsidiary of Vermilion Energy Inc., a publicly traded, widely held, international energy producer. Headquartered in Calgary, Alberta, Canada, Vermilion Energy Inc. has onshore and offshore operations positioned around the world in regions noted for their stable, well-developed fiscal and regulatory policies regarding oil and gas exploration and development. Our core business involves the acquisition, exploration, development and optimization of producing properties in North America, Europe and Australia. To learn more, please visit www.vermilionenergy.com.

To learn more about Vermilion in Germany, please visit www.vermilionenergy.de.