PRESS RELEASE

August 13, 2013

TORC OIL & GAS LTD. ANNOUNCES SECOND QUARTER 2013 FINANCIAL & OPERATIONAL RESULTS - POSITIONS FOR STRATEGIC TRANSITION TO A SUSTAINABLE DIVIDEND PLUS GROWTH COMPANY

CALGARY, ALBERTA - TORC Oil & Gas Ltd. ("TORC" or the "Company") (TSX: TOG) is pleased to announce its financial and operating results for the three and six months ended June 30, 2013 and provide an update on the strategic transition to a dividend plus growth company.

The associated Management's Discussion and Analysis ("MD&A") dated August 12, 2013 and unaudited financial statements as at and for the three and six months ended June 30, 2013 can be found at www.sedar.com and www.torcoil.com.

Highlights *(in thousands, except per share data)*		**Three months ended June 30, 2013**		Three months ended June 30, 2012		**Six months ended June 30, 2013**		Six months ended June 30, 2012
Financial								
Funds flow from operations (1)	**$**	**16,580**	$	2,428	**$**	**31,855**	$	6,222
Per share basic (2)	**$**	**0.09**	$	0.02	**$**	**0.17**	$	0.06
Per share diluted (2), (3)	**$**	**0.08**	$	0.02	**$**	**0.16**	$	0.06
Net income (loss)	**$**	**3,340**	$	(840)	**$**	**4,470**	$	(3,431)
Per share basic (2)	**$**	**0.02**	$	(0.01)	**$**	**0.02**	$	(0.03)
Per share diluted (2), (3)	**$**	**0.02**	$	(0.01)	**$**	**0.02**	$	(0.03)
Exploration and development expenditures	**$**	**18,384**	$	23,298	**$**	**67,865**	$	67,238
Property acquisitions, net of dispositions	**$**	**(556)**	$	191	**$**	**(324)**	$	5,627
Net working capital (net debt) (4)	**$**	**(2,088)**	$	13,396	**$**	**(2,088)**	$	13,396
Common shares (2)								
Shares outstanding, end of period		**193,178**		105,889		**193,178**		105,892
Weighted average shares (basic)		**193,104**		105,818		**193,020**		105,651
Weighted average shares (diluted)		**195,341**		105,818		**197,380**		105,651
Operations								
Production								
Crude oil and NGL (Bbls per day)		**3,363**		737		**3,329**		774
Natural gas (Mcf per day)		**5,696**		399		**5,686**		419
Barrels of oil equivalent (Boepd, 6:1)		**4,312**		804		**4,276**		844
Average realized price								
Crude oil and NGL ($ per Bbl)	**$**	**85.45**	$	78.75	**$**	**83.78**	$	83.45
Natural gas ($ per Mcf)	**$**	**3.71**	$	1.82	**$**	**3.48**	$	1.89
Barrels of oil equivalent ($ per Boe, 6:1)	**$**	**71.65**	$	73.14	**$**	**69.96**	$	77.56
Netback per Boe (6:1) ($)								
Operating netback (1)	**$**	**46.35**	$	43.18	**$**	**44.99**	$	49.79
Operating netback (prior to hedging) (1)	**$**	**46.30**	$	43.18	**$**	**44.95**	$	49.79
Funds flow netback (1)	**$**	**42.25**	$	33.16	**$**	**41.15**	$	40.52
Wells drilled:								
Gross		**4**		4		**13**		13
Net		**4.0**		4.0		**9.6**		11.2
Success (%)		**100**		75		**100**		85

(1) Management uses funds flow from operations (cash from operating activities before changes in non-cash working capital and the settlement of decommissioning obligations) and operating and funds flow netback to analyze operating performance and leverage. Funds flow as presented, and operating and funds flow netback does not have any standardized meaning prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculation of similar measures for other entities.

(2) The corporate acquisition of Vero Energy Inc. in November 2012 has been accounted for as a reverse takeover. As a result, the number of outstanding common shares, stock options, incentive shares and warrants of comparative periods have been reduced by a factor of 0.87 (the share exchange ratio), in order for the comparative common share, stock options, incentive shares, warrants, per share and per diluted share amounts to be equivalent.

(3) In the three and six months ended June 30, 2012, the diluted number of shares is equivalent to the basic number of shares due to stock options, incentive shares and/or warrants being antidilutive. Therefore, in this period, the diluted per share amounts are equivalent to the basic per share amounts.

(4) Net working capital (net debt) is calculated as current assets (excluding financial derivative assets) less current liabilities (excluding financial derivative liabilities) and non-current deferred lease incentives.

PRESIDENT'S MESSAGE

The Company's achievements in the second quarter of 2013 include the following:

- Increased production to 4,312 boepd in the second quarter of 2013 from 804 boepd in the second quarter of 2012;
- Second quarter 2013 represents TORC's 10th consecutive quarter of production growth;
- Cash flow increased to $16.6 million in the second quarter of 2013 from $2.4 million in the second quarter of 2012;
- Cash flow per share increased to $0.09 per share in the second quarter of 2013 from $0.02 per share in the second quarter of 2012, a year over year increase of over 350 percent;
- Cash flow increased 9 percent over the first quarter of 2013 from increased production, a reduction in costs and higher commodity prices;
- At quarter end, the Company remained undrawn on an available $125 million credit facility, with net debt of only $2 million;
- The Company drilled 4 (4 net) wells during the second quarter with a 100 percent success rate; and
- Subsequent to quarter end, TORC announced the strategic transition to a sustainable dividend plus disciplined growth entity through the acquisition of high netback, low decline assets in southeast Saskatchewan.

STRATEGIC TRANSITION

Subsequent to the end of the second quarter, TORC announced a $510 million acquisition of low decline, high netback light oil producing assets in southeast Saskatchewan (the "Acquisition") and a strategic transition of the Company's business model to an intermediate light oil producer paying a sustainable dividend while also delivering disciplined per share production growth. In conjunction with the Acquisition, TORC secured a cornerstone equity investment by the Canadian Pension Plan Investment Board ("CPPIB") for $170 million and a $242 million bought deal public offering for gross proceeds of $412 million. The CPPIB investment provides strategic support and differentiated access to capital, and in combination with the bought deal public offering, positions TORC with a strong balance sheet and significant financial flexibility. The assets being acquired have long established decline profiles along with extensive light oil infrastructure providing stable, predictable cash flow. The acquired assets are complementary to TORC's current light oil platform in the Cardium trend and the emerging play at Monarch and position TORC for sustainable dividends to shareholders while providing a balanced approach to disciplined growth. To support this transition, TORC has been active hedging pro forma production at levels above budgeted commodity prices. These hedges are detailed in the corporate presentation at www.torcoil.com.

The Acquisition is expected to close on September 9, 2013, subject to shareholder approval as well as customary conditions and regulatory approvals including approval of the Toronto Stock Exchange and the required approval under the Competition Act (Canada).

An information Circular was mailed to shareholders on August 9, 2013 providing further information regarding the Acquisition and the special meeting of shareholders to be held on September 5, 2013 and has been filed on SEDAR (www.sedar.com). The CPPIB investment and bought deal public offering closed on August 6, 2013 with proceeds being held in escrow pending completion of the shareholder vote and the Acquisition. The subscription receipts, issued under the bought deal public offering, have been listed and posted for trading on the Toronto Stock Exchange (TSX: TOG.R) until the conversion to common shares upon the closing of the Acquisition.

OPERATIONAL UPDATE

In the second quarter, TORC continued to execute its Cardium development drilling program and its Monarch delineation program.

CARDIUM

The Cardium development program executed in the second quarter resulted in drilling 2 (2 net) Cardium light oil wells achieving a 100 percent success rate. Year to date, TORC has drilled 11 (7.6 net) Cardium development wells with a 100% success rate.

With the evolution of TORC's Cardium drilling program from a delineation based program in 2012 to a development program in 2013, TORC has been focused on key cost drivers to improve program efficiencies and improve economic parameters. These initiatives include shorter rig moves, rig efficiency, pad drilling, infrastructure centralization and a continuous program of oilfield service cost reductions. This focus has resulted in the Corporation achieving actual Cardium well costs 10 – 15 percent below initial budgeted costs, with the Company's most recent wells realizing even greater efficiencies. Based on results to date, the Company continues to execute a completion technique using slick water fracs. The Company believes this type of frac will result in superior long term performance of the wells. The Company's average well cost has dropped below $3.5 million per well from $3.9 million per well initially budgeted. With the strategic transition to a dividend plus growth model, cost discipline and efficiency will continue to be a driving focus in the Cardium program going forward.

TORC expects to drill an additional 11 net wells in its Cardium play in the second half of 2013. With over 300 net identified development drilling locations, TORC's 2013 Cardium program represents less than 10 percent of its identified inventory.

MONARCH

The Company's focus at Monarch in 2013 has been the continued geological delineation of the play as well as completion optimization. The Company drilled 2 (2 net) wells in the second quarter. Both wells have now been completed with the flow back being evaluated. Based on recent encouraging results and continued strong production profiles of TORC's 16-2 and 2-9 wells, TORC management has accelerated it plans to drill its first development well into the play in addition to continuing with its planned delineation program. TORC's 2-9 well has produced more than 65,000 bbls of light oil in less than eight months while the 16-2 well has produced more than 75,000 bbls in less than 10 months. Management believes that based on recent operations, well costs of approximately $6 million can be achieved in a full development drilling program in the central part of the Monarch play.

On the western flank of the play, TORC brought two wells on production (1-29 and 3-26) in the first quarter. As previously disclosed, the western flank of the play has an increased gas oil ratio resulting in the need to restrict production on wells that are not tied into infrastructure. As expected, both wells continue to flow at restricted rates of approximately 50-100 bbls per day of light oil and continue to exhibit strong flowing tubing pressures. The flowing tubing pressure from these wells will continue to be monitored to evaluate an unrestricted production profile that would be expected in a development scenario.

In addition to the drilling of the first development well, TORC plans to drill up to two more delineation wells at Monarch in 2013 which will satisfy the Company's 2013 flow-through obligations. It is expected that with continued success, the Company will move towards development growth in the central part of the play in 2014 while continuing to delineate the eastern and western flanks of the play.

SOUTHEAST SASKATCHEWAN

The assets to be acquired in southeast Saskatchewan provide TORC with a material new core area characterized by long established low decline rates and significant light oil infrastructure underpinning the balanced go-forward strategy of TORC. TORC expects to close the Acquisition on September 9, 2013. TORC management has identified over 130 net undrilled development locations of which only 41 are booked in the year-end 2012 reserve report. The assets to be acquired produce more than 5,700 boepd (93% light oil and liquids) and yield significant free cash flow which will be deployed to fund a disciplined organic growth program in the Cardium play and at Monarch.

TORC management has extensive experience in southeast Saskatchewan and anticipates a smooth operational integration. TORC's H2 2013 capital expenditure program includes the drilling of an estimated 5 (4.0 net) development wells. In addition to the significant identified undrilled development drilling inventory, management believes that numerous opportunities exist on the acquired assets to further manage decline rates and maximize free cash flow from these assets. Management is excited to be back in southeast Saskatchewan and is looking forward to building on the successes achieved in the past in this area.

OUTLOOK:

Over the past two years TORC has built a sustainable growth platform of light oil focused assets. The stability of the high quality, low decline, light oil assets in southeast Saskatchewan combined with the low risk Cardium development inventory in central Alberta and exposure to the emerging light oil resource play at Monarch in southern Alberta positions TORC to provide a sustainable dividend along with value creation through a disciplined growth strategy.

The annual dividend will initially be set at $0.10 per share (before share consolidation, described below), payable monthly. TORC expects to pay the first dividend to shareholders of record as at September 30, 2013 on October 15, 2013, assuming the Acquisition closes in September.

Subject to shareholder and regulatory approval, TORC intends to effect a share consolidation on a one for five basis concurrent with the close of the Acquisition.

As part of the strategic transition process, management has high-graded TORC's high netback, light oil drilling locations and developed a conservative, methodical, and strategic allocation of go-forward capital expenditures with a focus on supporting long-term sustainability of the dividend plus growth model.

Pro forma the Acquisition and the Financings, TORC has the following key operational and financial attributes:

High Netback Production	2013E Exit: greater than 9,500 boe/d (greater than 85 percent light oil & NGLs)
Reserves [(1)]	25.9 mmboe (85 percent light oil & NGLs) Total Proved
	40.3 mmboe (84 percent light oil & NGLs) Total Proved plus Probable

Southeast Saskatchewan Light Oil Development Inventory	Greater than 130 net undrilled locations
Cardium Light Oil Development Inventory	Greater than 300 net undrilled locations
Emerging Light Oil Resource Exposure	Greater than 150 net sections at Monarch
Sustainability Assumptions	Corporate decline ~25 percent Light Oil Full Cycle Capital Efficiency ~$40,000/boe/d (IP 365) $45 per boe cash netback ($90 Edm light)
Run Rate Cash Flow (2)	~$155 million
Maintenance Capex	~$95 million
Annual Dividend (paid monthly)	$0.10 per share $46 million $35 million (net of CPPIB DRIP participation)
Run Rate Free Cash Flow (2)	~$25 million
Targeted Growth	>5 percent ($90 Edm light)
Targeted All-in Payout Ratio	Less than 100%
Net Debt/Bank Line	Estimated Net Debt of less than $150 million at year end Bank line of $350 million, greater than 55 percent undrawn at year-end
Debt/Cash Flow	1.0x (year-end 2013)
Pro Forma Shares Outstanding	455 million (basic) 482 million (fully-diluted)
Tax Pools	Greater than $1 billion

Notes:

(1) *Company gross reserves being pro forma TORC's working interest share before deduction of royalties and without including any royalty interests of pro forma TORC. Based on the respective independent reserve reports of the Acquisition and TORC, prepared by GLJ Petroleum Consultants and Sproule Associates Limited respectively and each effective as of December 31, 2012 and prepared in accordance with NI 51-101 and the COGE Handbook.*

(2) *Based on $90 Edmonton Light and $3.00 AECO.*

(signed)

Brett Herman
President & Chief Executive Officer
August 13, 2013

TORC Oil & Gas Ltd. is a Calgary based company active in the acquisition, exploration, development and production of crude oil and natural gas in Western Canada.

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Note regarding forward looking statements:

This news release contains certain forward–looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to the following: the recognition of significant additional reserves under the heading "Reserves", the volumes and estimated value of TORC's oil and gas reserves; the life of TORC's reserves; the volume and product mix of TORC's oil and gas production; future oil and natural gas prices; future results from operations and operating metrics, and future development, exploration, acquisition and development activities (including drilling plans) and related production and reserves expectations.

The recovery and reserve estimates of TORC's reserves and resources provided herein are estimates only and there is no guarantee that the estimated reserves or resources with be recovered. In addition, forward-looking statements or information are based on a number of material factors, expectations or assumptions of TORC which have been used to develop such statements and information but which may prove to be incorrect. Although TORC believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because TORC can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: that TORC will continue to conduct its operations in a manner consistent with past operations; results from drilling and development activities consistent with past operations; the quality of the reservoirs in which TORC operates and continued performance from existing wells; the continued and timely development of infrastructure in areas of new production; the accuracy of the estimates of TORC's reserve volumes; continued availability of debt and equity financing and cash flow to fund TORC's current and future plans and expenditures; the impact of increasing competition; the general stability of the economic and political environment in which TORC operates; the general continuance of current industry conditions; the timely receipt of any required regulatory approvals; the ability of TORC to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which TORC has an interest in to operate the field in a safe, efficient and effective manner; the ability of TORC to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of TORC to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which TORC operates; and the ability of TORC to successfully market its oil and natural gas products.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statement, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of TORC's products, the early stage of development of some of the evaluated areas; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of TORC or by third party operators of TORC's properties, increased debt levels or debt service requirements; inaccurate estimation of TORC's oil and gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in TORC's public disclosure documents.

The forward-looking information and statements contained in this news release speak only as of the date of this news release, and TORC does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Meaning of Boe and Boepd

When used in this press release, boe means a barrel of oil equivalent on the basis of 1 boe to 6 thousand cubic feet of natural gas. Boepd means a barrel of oil equivalent per day.

Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 1 boe for 6 thousand cubic feet of natural gas 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 that the value ratio of oil compared to natural gas based on currently prevailing prices is significantly different than the energy equivalency conversion ratio of 6 Mcf to 1 BOE, utilizing a conversion ratio of 6 Mcf to 1 BOE may be misleading as an indication of value.