



POWDER MOUNTAIN ENERGY LTD. ANNOUNCES CAPITAL BUDGET APPROVAL

Calgary, Alberta, September 16, 2014 - Powder Mountain Energy Ltd. (“**Powder Mountain**” or the “**Corporation**”) (TSX-V: PDM) is pleased to announce that the board of directors of the Corporation (the “**Board**”) has approved a capital budget of \$9.1 million until the end of 2014. The Board has also approved the drilling of two Bakken horizontal wells (the “**Bakken Wells**”) on Powder Mountain’s property in the Hardy and Coteau areas of SE Saskatchewan and the funding of further 2D and 3D trade data acquisition. One horizontal well will be drilled in Hardy and one will be drilled in Coteau prior to the year ended 2014.

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Certain statements contained in this news release constitute forward-looking statements. These statements relate to future events. All statements other than statements of historical fact are forward-looking statements. The use of the words “may”, “expected”, “believes” “estimated” and other words of a similar nature are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although Powder Mountain believes these statements to be reasonable, no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. Such statements include statements with respect to the drilling of the Bakken Wells and, the completion by the Corporation of further 2D and 3D trade data acquisition. Actual results could differ materially from those anticipated in these forward-looking statements as a result of prevailing economic conditions and other factors, many of which are beyond the control of Powder Mountain. The forward-looking statements contained in this news release represent the Corporation’s expectations as of the date hereof, and are subject to change after such date. Powder Mountain disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by applicable securities regulations.

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