



**POWDER MOUNTAIN ENERGY LTD.
ANNOUNCES THE FILING OF SECOND QUARTER FINANCIAL STATEMENTS AND
MANAGEMENTS DISCUSSION & ANALYSIS**

Calgary, Alberta, May 28, 2015 – Powder Mountain Energy Ltd. (“**Powder Mountain**” or the “**Corporation**”) (TSX-V: PDM) is pleased to announce that it has filed its Condensed Consolidated Interim Financial Statements and the related management's discussion and analysis for the three and six months ended March 31, 2015 on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”). Copies of these documents can be found on the SEDAR website at www.sedar.com and the Company's website at www.powdermtnenergy.com

Corporate Highlights

Highlights during the quarter included:

- Exiting the quarter with approximately \$23 million in working capital which included \$23.1 million in cash.
- Increased average production 132% over last quarter from 54 to 95 BOPD, and production during the last week prior to spring break-up averaged 134 BOPD. The production increase was due to our recently drilled wells at Hardy and Coteau Lake in southeast Saskatchewan.
- Reducing operating costs per barrel by 46% over the same period last year.
- Continued to prove all of our Hardy lands are prospective for the Bakken, based on the successful results from all of our wells including the recently drilled 5A 4-16 well. Our future development plans are contingent on an improved commodity price environment.
- Reduced our September 30, 2015 year-end Capital Plan by \$6.0 million to \$10.0 million, which has mostly been expended to date. This reduction in capital expenditures includes the deferring of drilling operations and future capital plans will be limited to work-over operations.

The Company intends to evaluate all aspects of its business plan including drilling additional wells, property acquisitions and other opportunities that are accretive and will increase shareholder value.

Powder Mountain is a Calgary, Alberta based corporation engaged in the exploration, development and production of petroleum and natural gas in the Western Canadian Sedimentary Basin.

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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” 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 viewing all Powder Mountain lands in Hardy as prospective and future development being contingent on commodity price improvement, and comments relating to the nature of future capital expenditures under the revised capital budget;. 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.