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December 24, 2015

**CAZA OIL & GAS ANNOUNCES CLOSING OF
US\$45.5 MILLION EQUITY FINANCING
WITH TALARA OPPORTUNITIES V, LP
AND DEBT RESTRUCTURING**

HOUSTON, TEXAS (Marketwire - December 24, 2015) - Caza Oil & Gas, Inc. ("**Caza**" or the "**Company**") (TSX: CAZ) (AIM: CAZA) announces that it has today closed (the "**Closing**") the equity financing and debt restructuring transactions announced on December 15, 2015, including the issue and sale to Talara Opportunities V, LP ("**Talara**") of 9,467,419,937 common shares ("**Common Shares**") for gross proceeds of US\$45.5 million at an effective price of US\$0.0048 per share (equivalent to approximately 0.32 pence per Common Share) (the "**Private Placement**"). Talara is a private investment fund advised by Talara Capital Management, LLC.

Closing followed receipt of requisite approvals from the Toronto Stock Exchange, including permission to rely on the financial hardship exemption provided for in the TSX Company Manual.

Concurrently with Closing, the Company paid an aggregate of US\$43.9 million to YA Global Master SPV Ltd., GSC SICAV p.l.c. (collectively, the "**Yorkville Parties**") and to Apollo Investment Corporation ("**Apollo**") (Nasdaq: AINV), to extinguish all debts and obligations owed to them by the Company and its subsidiaries, as well as all oil and gas interests previously granted to Apollo by the Company. The remaining proceeds of the Private Placement have been allocated to working capital for general corporate purposes, including payment of transaction expenses.

Completion of the Private Placement and of the settlements with the Company's former lenders and certain trade creditors, has materially improved the Company's working capital position and cash flow through the elimination of monthly interest payments to Apollo of approximately US\$450,000 and an overriding royalty in respect of certain of its producing assets formerly held by Apollo. These improvements in the Company's financial position have secured its ability to continue as a going concern, eliminated the significant uncertainties associated with the now-terminated Apollo credit facility and should allow it to obtain lower cost capital, which may be used to implement its business plan when commodity prices improve.

In connection with Closing, certain members of the Company's management (“**Management**”) and board of directors (the “**Board**”) exchanged all of their exchangeable shares of Caza Petroleum, Inc., a majority-owned subsidiary of the Company (“**Caza Petroleum**”), for a total of 26,502,000 Common Shares pursuant to pre-existing rights (the “**Exchange**”), and also acquired 176,863,889 Common Shares from Talara at the Private Placement price of US\$0.0048 per share (the “**Management Acquisition**”), in each case as previously announced on December 17, 2015. In addition, ownership of approximately 29,878,886 Common Shares previously held by the Yorkville Parties has been transferred back to the Company and should no longer be considered outstanding.

The following table shows the number of Common Shares acquired by the continuing members of the Board and Management pursuant to the Exchange and the Management Acquisition:

Name	Common Shares Previously Held	Common Shares acquired pursuant to Management Acquisition	Common Shares acquired pursuant to Exchange	Total Common Shares Currently Held	% of Common Shares Currently Outstanding
W. Michael Ford	575,968	62,422,549	6,790,000	69,788,517	0.72%
James Markgraf	344,019	10,403,758	840,000	11,587,777	0.12%
Rich Albro	303,848	10,403,758	5,292,000	15,999,606	0.16%
Tony Sam	437,543	62,422,549	6,790,000	69,650,092	0.71%
Randy Nickerson	469,833	31,211,275	-	31,681,108	0.33%

As a result of the Private Placement and the other transactions described above, Talara now holds 9,290,556,048 Common Shares (representing approximately 95.3% of the outstanding Common Shares) and members of Management together hold 198,707,100 Common Shares (representing approximately 2.0% of the outstanding Common Shares).

Imperial Capital acted as sole placement agent and financial advisor to the Company.

Board Reconstitution

In addition, the Board of the Company was reconstituted at Closing and now consists of David Zusman, David Young, Andrew Heyman and Sharon O'Shea, being Talara nominees, and J. Russell Porter and Cornelius Dupré II, who remain on the Board as non-executive directors. W. Michael Ford continues to lead the Management team as Chief Executive Officer and a director of Caza Petroleum. The Company thanks John R. McGoldrick and David McManus, who have graciously agreed to resign as directors of the Company for geographic convenience in connection with the completion of these transactions.

Further information regarding Messrs. Zusman, Heyman and Young and Ms. O'Shea, is set forth below:

<i>Full Name (Age) and Principal Occupation</i>	<i>Current directorships or partnerships</i>	<i>Previous directorships or partnerships in last 5 years</i>
David Marcus Zusman (40) Managing Partner and Chief Investment Officer Talara Capital Management, LLC	Talara Capital Management Lighthouse Oil & Gas Viola Oil & Gas New Century Exploration	None
Sharon Mary O'Shea (44) Chief Financial Officer Talara Capital Management, LLC	None	None
Andrew Reuben Heyman (40) Partner Talara Capital Management, LLC	Talara Capital Management	None
David Thomas Young (35) Director Talara Capital Management, LLC	None	Reddy Ice

There is no other information that is required to be disclosed with regards to the proposed appointments of Messrs. Zusman, Hayman and Young and Ms. O'Shea pursuant to Schedule 2 paragraph (g) of the AIM Rules, save as set out in the table above.

Admission to AIM

Application has been made to the London Stock Exchange for the 9,467,419,937 Common Shares issued and sold to Talara to be admitted to trading on AIM, and admission is expected to

become effective on December 31, 2015. These Common Shares will rank pari passu with the existing Common Shares in issue.

Following admission, the Company will have 9,744,153,908 Common Shares admitted to trading. The figure of 9,744,153,908 Common Shares may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change their interest in, the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

About Caza

Caza is engaged in the acquisition, exploration, development and production of hydrocarbons in the following regions of the United States of America through its subsidiary, Caza Petroleum, Inc.: Permian Basin (West Texas and Southeast New Mexico) and Texas and Louisiana Gulf Coast (on-shore).

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The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

ADVISORY STATEMENT

Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. Such information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "schedule", "continue", "estimate", "expect", "may", "will", "hope", "project", "predict", "potential", "intend", "could", "might", "should", "believe", "develop", "test", "anticipate", "enhance" and similar expressions. In particular, information regarding the use of proceeds and the Company's ability to continue as a going concern or future financial position contained in

this news release constitutes forward-looking information within the meaning of securities laws.

Such forward looking information is subject to certain risks, assumptions and uncertainties. For more exhaustive information on these risks, assumptions and uncertainties you should refer to the Company's most recently filed annual information form which is available at www.sedar.com and the Company's website at www.cazapetro.com. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time except as may be required by securities laws.

This news release is not for dissemination in the United States or to any United States news services. The new Common Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws, and may not be sold or offered for sale in the United States absent registration with the U.S. Securities and Exchange Commission except pursuant to an applicable exemption from registration thereunder, in each case in accordance with the U.S. Securities Act and applicable state securities laws. This press release does not constitute an offer to sell or solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful.