

Gordon Creek Announces Pending Natural Gas Sales Option Agreement and Provides Financing Update

May 13, 2014 (Source: Marketwired) – Gordon Creek Energy Inc. (TSX VENTURE:GDN) (the “Company”) announced that it has entered into a binding agreement with a Malaysian natural gas distribution company, whereby the Malaysian company has agreed to pay US\$10 million to the Company in exchange for the ongoing right to purchase up to 100% of the Company’s future production from its Gordon Creek natural gas field in Carbon County, Utah (the “Transaction”). The Malaysian company will pay the Company the prevailing Henry Hub prices for gas at the time of purchase, less a negotiated discount in the range of 10%. The Malaysian company was not able to meet the original closing date specified in the agreement, and discussions are ongoing as to a potential closing schedule. Further details of the transaction and a description of the buyer will be provided once the closing has been confirmed and a time frame for closing has been determined.

The Company also announced that it completed the extension of the due date of its 15% Gas Linked Debentures (TSX VENTURE:GDN.DB) until October 31, 2014. Fifty percent (50%) of the quarterly interest payments on the Gas Linked Debentures are payable in shares of the Company, based on a discount from the weighted average trading price of the Company’s shares during quarter. For the quarter ended January 31, 2014 the Company issued 1,848,300 shares at a deemed price of \$0.102 per share representing 50% of the interest due, bringing the Company’s issued and outstanding capital to 10,022,848 common shares. Due to the delays in completing the Malaysian gas purchase option, the Company has deferred the payment of the

cash portion of the quarterly payment pending completion of that transaction or an alternative financing transaction.

The Company is presently in discussions with a number of parties concerning potential financial transactions. Operations at Gordon Creek have been curtailed and will recommence upon completion of a financing. The next stage of development will be to install high volume water pumps on some of the most recently drilled Gordon Creek wells and the recompletion and resumption of production from a number of additional standing wells.

Gordon Creek Energy is an oil and gas exploration and production Company with interests in the US Rockies.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Caution Regarding Forward-looking information

Information in this news release respecting the Company's potential gas purchase option agreement, development activities and development financing opportunities constitute forward-looking information. Statements containing forward-looking information express, as at the date of this news release, the Company's plans, expectations, or beliefs as to future events or results are believed to be reasonable based on the information currently available to the Company. The Company does not undertake to update any such forward-looking statements unless required by applicable securities legislation. Statements including forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results of the Company and its operations to be materially different from estimated costs or results expressed or implied by such forward-looking statements. There can be no assurance that forward-looking

statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.