



SPYGLASS RESOURCES CORP. PROVIDES DRILLING UPDATE AND RESTARTS DIXONVILLE FIELD AFTER PIPELINE INCIDENT

All values are in Canadian dollars unless otherwise indicated. Conversion of natural gas volumes to barrels of oil equivalent (boe) are at 6:1.

Calgary, Alberta – June 29, 2014. Spyglass Resources Corp. ("Spyglass", or the "Company") (TSX: SGL, OTCQX: SGLRF) announces that it has restarted production from the Dixonville field after a pipeline incident and provides a drilling update including details on the Company's recent tie-in of a light oil well at Cessford in southern Alberta, the completion and tie-in of a natural gas well in the Cadomin at Noel and the Halkirk-Provost ten well drilling program.

Dixonville Incident Update

Effective immediately the Alberta Energy Regulator (AER) has rescinded the shut in order for the Dixonville field and Spyglass has restarted approximately 28 percent (800 bbl/d) of oil production. Additional production will be restored as pipeline inspection and remediation continues.

In early May the company began conducting in-line inspections of the Dixonville gathering system. The recent pipeline incident occurred on a pipeline that was scheduled for inspection within the next two months. As a result of this incident, Spyglass will only restart portions of the gathering system that have passed inspection or where remediation work has been completed. Based on the current work schedule the field is expected to return to approximately 75 percent of capacity within the next three weeks. Complete inspection and remediation of the gathering system is expected to take 10 to 12 weeks at which time the field will return to its full capability.

The reduction in Dixonville production as a result of pipeline incidents and ongoing integrity work is expected to impact the cash flow of the company by approximately \$6.5 million divided between the second and third quarters.

Drilling Update

In mid-April, Spyglass commenced drilling a horizontal Cadomin natural gas well at Noel. The well was completed earlier than anticipated, beginning post frac flow-back in late June. The current flow rate into the pipeline from the well is over 1,000 boe/d of natural gas. The Company has an extensive drilling inventory at Noel, with over 85 follow up Cadomin horizontal locations identified.

Spyglass previously announced the successful completion of 1 (1.0 net) Glauconite light oil well at Cessford with 24-hour test rates in excess of 1,000 boe/d (65 percent liquids). Given these test rates, facilities are currently being upgraded to accommodate the production from this well and follow up

locations. In May, the well was placed on production, however due to third party facility constraints it is producing approximately 330 boe/d. Spyglass will begin drilling two additional Cessford wells in July.

The Company also expects to commence a 10 well horizontal drilling program, targeting Viking light oil, in the Halkirk-Provost area in mid-July.

Spyglass Resources Corp. is a dividend paying intermediate oil and natural gas producer, headquartered in Calgary, Alberta and currently operates oil and gas properties in Western Canada.

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Reader Advisory and Note Regarding Forward Looking Information

Certain statements contained within this press release, and in certain documents incorporated by reference into this document constitute forward looking statements. These statements relate to future events or future performance. All statements, other than statements of historical fact, may be forward looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. 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.

In particular, this press release contains the following forward looking statements pertaining to, without limitation, the following: Spyglass' (i) future production volumes and the timing of when additional production volumes will come on stream; Spyglass' (ii) realized price of commodities in relation to reference prices; (iii) future commodity mix; (iv) future commodity prices; (v) expectations regarding future royalty rates and the realization of royalty incentives; (vi) expectation of future operating costs on a per unit basis; (vii) the relationship of Spyglass' interest expense and the Bank of Canada interest rates; (viii) future general and administrative expenses; future development and exploration activities and the timing thereof; (ix) deferred tax liability; (x) estimated future contractual obligations; (xi) future liquidity and financial capacity of the Company; (xii) ability to raise capital and to add to reserves through exploration and development; (xiii) ability to obtain equipment in a timely manner to carry out exploration and development activities; (xiv) ability to obtain financing on acceptable terms, and (xv) ability to fund working capital and forecasted capital expenditures. In addition, statements relating to "reserves" or "resources" are deemed to be forward looking statements, as they involve assessments based on certain estimates and assumptions that the resources and reserves described can be profitably produced in the future.

We believe the expectations reflected in the forward looking statements are reasonable but no assurance can be given that our expectations will prove to be correct and consequently, such forward looking statements included in, or incorporated by reference into, this press release should not be unduly relied upon. These statements speak only as of the date of this press release or as of the date specified in the documents incorporated by reference in this press release. The actual results could differ materially from those anticipated as a result of the risk factors set forth below and elsewhere in this press release which include: (i) volatility in market prices for oil and natural gas; (ii) counterparty credit risk; (iii) access to capital; (iv) changes or fluctuations in production levels; (v) liabilities inherent in oil and natural gas operations; (vi) uncertainties associated with estimating oil and natural gas reserves; (vii) competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; (viii) stock market volatility and market valuation of Spyglass' stock; (ix) geological, technical, drilling and processing capabilities; (x) limitations on insurance; (xi) changes in

environmental or legislation applicable to our operations, (xii) our ability to comply with current and future environmental and other laws; (xiii) changes in tax laws and incentive programs relating to the oil and gas industry, and (xiv) the other factors discussed under "Risk Factors" in the Company's 2013 Annual Information Form.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward looking statements contained in this press release and the documents incorporated by reference herein are expressly qualified by this cautionary statement. The forward looking statements contained in this press release speak only as of the date thereof and Spyglass does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

This press release shall not constitute an offer to sell, nor the solicitation of an offer to buy, any securities in the United States, nor shall there be any sale of securities mentioned in this press release in any State in the United States in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such State.