



November 7, 2013

TransAtlantic Petroleum Announces Third Quarter 2013 Financial Results and Provides an Operations Update

HAMILTON, Bermuda, Nov. 7, 2013 (GLOBE NEWSWIRE) -- **TransAtlantic Petroleum Ltd.** (TSX:TNP) (NYSE-MKT:TAT) (the "Company" or "TransAtlantic") today announced financial results for the quarter ended September 30, 2013 and provided an operations update.

Highlights

- TransAtlantic's current production is more than 4,700 Boe/d
- The Company expects to exit the fourth quarter of 2013 with production of at least 5,000 Boe/d
- Adjusted EBITDAX from continuing operations for the third quarter of 2013 was \$20.4 million (Adjusted EBITDAX is a non-GAAP financial measure that is defined and reconciled to net income at the end of this press release)

Third Quarter 2013 Results

	<u>For the Three Months Ended</u>		
	<u>September 30, 2013</u>	<u>September 30, 2012</u>	<u>June 30, 2013</u>
Net Sales:			
Oil (Mbbls)	230	229	230
Natural gas (MMcf)	868	928	816
Total net sales (Mboe)	375	384	366
Total net sales (Boe/d)	4,076	4,174	4,022
Realized Commodity Pricing:			
Oil (\$/bbl unhedged)	\$103.04	\$105.81	\$94.13
Oil (\$/bbl hedged)	\$99.05	\$102.08	\$92.03
Natural gas (\$/Mcf unhedged)	\$9.16	\$8.14	\$9.57
Natural gas (\$/Mcf hedged)	\$9.16	\$8.14	\$9.57

Total revenues were \$33.3 million for the three months ended September 30, 2013, as compared to \$34.8 million for the same period in 2012 and \$31.8 million for the three months ended June 30, 2013. For the three months ended September 30, 2013, TransAtlantic had a net loss from continuing operations of \$4.8 million, or \$0.01 per share (basic and diluted), as compared to net income from continuing operations of \$0.5 million, or \$0.00 per share (basic and diluted), for the three months ended September 30, 2012 and net income from continuing operations of \$2.9 million, or \$0.01 per share (basic and diluted) for the three months ended June 30, 2013. The net loss for the third quarter of 2013 included \$2.9 million of foreign exchange losses, \$2.2 million of unrealized mark-to-market derivative losses and \$2.2 million of exploration, abandonment and impairment charges (of which approximately \$1.8 million represented cash expenses during the quarter).

Adjusted EBITDAX from continuing operations for the three months ended September 30, 2013 was \$20.4 million, as compared to \$22.1 million for the three months ended September 30, 2012 and \$17.6 million for the three months ended June 30, 2013.

Operational Update

TransAtlantic's current production is more than 4,700 Boe/d. The Company is presently operating five drilling rigs: three in southeastern Turkey, one in the Thrace Basin in northwestern Turkey, and one in Bulgaria. Maps of TransAtlantic's operating areas are available on the Company's website at <http://www.transatlanticpetroleum.com/news.aspx>.

Southeastern Turkey — Şelmo Field Redevelopment

The Company continues to drill its second horizontal Şelmo well targeting the MSD zone (100% working interest), which encountered multiple pay zones in the lateral section and has substantial oil shows reaching surface. After encountering instability in the wellbore, TransAtlantic has re-drilled the lower section of the well. The Company plans to complete its first two MSD wells simultaneously upon reaching target depth of the second well. TransAtlantic expects to spud five additional horizontal wells in the Şelmo Field in the fourth quarter of 2013.

Southeastern Turkey — Molla Drilling Program

TransAtlantic has completed shooting 489 square kilometers (km²) (188 square miles) of its planned 800 km² (300 square miles) Molla 3D seismic program. The Company has shot seismic over the Bahar Field and is processing the data in Dallas, Texas. TransAtlantic believes that capturing 3D seismic data of the Molla area will result in a more effective drilling program. The Bahar-1 well has produced nearly 84,000 barrels of oil in its first eleven months of production.

Upon completion of the Göksu-5H (100% working interest), a \$3.5 million horizontal well targeting the Mardin formation that is located 2.5 km (1.5 miles) southeast of the Göksu-3H, the ensuing production was nearly all water and production was discontinued in mid-October 2013. TransAtlantic plans to convert the Göksu-5H into a disposal well. The Company expects to drill one additional Mardin well in the fourth quarter of 2013 upon interpretation of the Molla 3D seismic data in the Bostanpinar area.

TransAtlantic successfully isolated the toe of the Oba-1H well (100% working interest) and is preparing to put the well on a long-term production test. The Company is currently executing a remediation plan to isolate the water zones on the Alibey-1 well (100% working interest).

TransAtlantic recently drilled the Tepe-1 (100% working interest), a \$3.0 million 9,500-foot vertical exploration well on a license the Company acquired in May 2013. The well did not encounter hydrocarbons in the Bedinan zone and has been plugged back to the Mardin zone for testing.

TransAtlantic is currently drilling a second vertical Bedinan exploration well, the Ambarcık-2 (50% working interest) on its Arpatepe license. At a depth of 8,200 feet, the well encountered 90 feet of oil-stained rock in the Bedinan zone. TransAtlantic and its partners elected to drill an additional 1,500 feet to test the lower seismic reflector. The Ambarcık-2 is one of the few wells in the basin to test the lower stratigraphic section of the Bedinan. At a depth of 9,350 feet, the well encountered clean sands with gas shows against 14 pound-per-gallon drilling mud. After drilling 250 feet of sand, the drill string became stuck. Sidetracking operations are now underway to re-drill and test the sand. The Company expects to drill and complete the well for approximately \$4.5 million to a depth of 9,700 feet. The Ambarcık-2 will test the Mardin and Bedinan formations on a structure located 5 km (3 miles) northeast of the Arpatepe Field. The Arpatepe-1 vertical well has produced more than 300,000 barrels of oil in approximately 5.5 years.

Northwestern Turkey — Thrace Basin Development

TransAtlantic is preparing to spud its third horizontal well in the southern Thrace Basin, the BTD-5H (41.5% working interest), which is targeting the Teslimkoy formation with a 1,500-foot lateral section. The well is expected to cost \$2.2 million and is an offset to the BTD-4H (41.5% working interest), which is currently producing 3 MMcf/d. The Company plans to drill one additional horizontal well in the southern Thrace Basin by the end of the year.

TransAtlantic continues its hydraulic fracture stimulation program to target bypassed unconventional pay in the Thrace Basin. The Company recently performed a fracture stimulation on the Kayı-14 (41.5% working interest), a vertical well targeting the Mezardere formation in the southern Thrace Basin at a depth of approximately 3,300 feet. Initial 7-day average production was 5 MMcf/d. In the northern Thrace Basin, TransAtlantic completed five shallow Edirne wells (90% working interest), four of which are producing an average of 750 Mcf/d per well.

The Company began the Osmanlı 3D seismic shoot of approximately 234 km² (90 square miles) in the third quarter of 2013 and has completed approximately one quarter of the program. TransAtlantic has the sole right to develop wells with the acquired seismic data unless its partners pay 150% of their interest in seismic costs in addition to their interest in well costs.

Bulgaria

TransAtlantic spud the Deventci-R2 (50% working interest) in early October 2013 and is currently drilling below 7,000 feet. It is a directional exploration well targeting the Dolni Lukovit zone at a depth of approximately 14,500 feet. Per the Company's farmout agreement in Bulgaria, its partner will assume 75% of TransAtlantic's initial \$40 million work program in the country.

Outlook

TransAtlantic expects to exit the fourth quarter of 2013 with production sales of at least 5,000 Boe/d. Year to date, the Company has drilled 31 wells and completed 20 wells. TransAtlantic expects to drill 38 total wells in 2013.

Conference Call

The Company has scheduled a conference call for Friday, November 8, 2013 at 7:30 a.m. Central (8:30 a.m. Eastern) to discuss third quarter 2013 financial results.

Investors who would like to participate in the conference call should dial (877) 878-2762 or (678) 809-1005 approximately 10 minutes prior to the scheduled start time and ask for the TransAtlantic conference call. The conference ID is 93888062. A replay will be available through November 14, 2013 and may be accessed by dialing (855) 859-2056 or (404) 537-3406. The conference ID is 93888062.

An enhanced webcast of the conference call and replay will be available through the Company's website at www.transatlanticpetroleum.com. To access the live webcast and replay, click on "Investors," select "Events & Presentations," and click on "Listen to webcast" under the event listing. The webcast requires iOS, Microsoft Windows Media Player or RealOne Player.

Quarterly Report on Form 10-Q

The Company expects to file its Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2013 on November 7, 2013.

TransAtlantic Petroleum Ltd.
Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

<i>U.S. Dollars and shares in thousands, except per share amounts</i>	For the Three Months Ended Sept. 30,		For the Nine Months Ended Sept. 30,	
	2013	2012	2013	2012
Revenues:				
Oil and natural gas sales	\$31,648	\$32,603	\$93,828	\$99,160
Sales of purchased natural gas	1,511	1,883	5,751	5,546
Other	144	329	999	2,043
Total revenues	33,303	34,815	100,578	106,749
Costs and expenses:				
Production	4,591	4,542	13,446	12,470
Exploration, abandonment and impairment	2,243	2,104	17,992	11,783
Cost of purchased natural gas	1,437	1,862	5,483	5,498
Seismic and other exploration	5,052	1,725	6,385	3,236
Revaluation of contingent consideration	--	--	(5,000)	--
General and administrative	6,367	6,744	20,783	25,301
Depreciation, depletion and amortization	11,487	8,147	30,044	26,698
Accretion of asset retirement obligations	114	164	367	579
Total costs and expenses	31,291	25,288	89,500	85,565
Operating income	2,012	9,527	11,078	21,184
Other income (expense):				
Interest and other expense	(919)	(1,086)	(2,764)	(6,363)
Interest and other income	282	1,019	964	1,501
(Loss) gain on commodity derivative contracts	(3,137)	(7,146)	365	(5,277)
Foreign exchange (loss) gain	(2,923)	(133)	(5,953)	3,066

Total other expense	<u>(6,697)</u>	<u>(7,346)</u>	<u>(7,388)</u>	<u>(7,073)</u>
(Loss) income from continuing operations before income taxes	(4,685)	2,181	3,690	14,111
Current income tax benefit (expense)	1,284	(1,440)	(583)	(3,882)
Deferred income tax expense	<u>(1,417)</u>	<u>(272)</u>	<u>(1,990)</u>	<u>(2,660)</u>
Net (loss) income from continuing operations.	(4,818)	469	1,117	7,569
Net (loss) income from discontinued operations, net of taxes	<u>(155)</u>	<u>6,525</u>	<u>(248)</u>	<u>20,904</u>
Net (loss) income	\$ (4,973)	\$ 6,994	\$ 869	\$ 28,473
Foreign currency translation adjustment	<u>(10,626)</u>	<u>3,146</u>	<u>(27,005)</u>	<u>17,650</u>
Comprehensive (loss) income	<u><u>\$ (15,599)</u></u>	<u><u>\$ 10,140</u></u>	<u><u>\$ (26,136)</u></u>	<u><u>\$ 46,123</u></u>
Basic and diluted net (loss) income per common share:				
From continuing operations	\$ (0.01)	\$ 0.00	\$ 0.00	\$ 0.02
From discontinued operations	\$ 0.00	\$ 0.02	\$ 0.00	\$ 0.06
Basic weighted average number of shares outstanding	371,503	367,960	369,785	366,981
Diluted weighted average number of shares outstanding	371,503	370,020	369,785	368,869

TransAtlantic Petroleum Ltd.
Summary Consolidated Statements of Cash Flows
(Unaudited)

For the Nine Months Ended Sept. 30,

U.S. Dollars in thousands

2013 2012

Net cash provided by operating activities from continuing operations	\$69,796	\$54,569
Net cash used in investing activities from continuing operations	(88,167)	(45,374)
Net cash provided by (used in) financing activities from continuing operations	17,174	(125,719)
Net cash (used in) provided by discontinued operations	(208)	126,963
Effect of exchange rate changes on cash	(1,092)	614
Net (decrease) increase in cash and cash equivalents	\$(2,497)	\$11,053

TransAtlantic Petroleum Ltd.
Summary Consolidated Balance Sheets

As of

U.S. Dollars in thousands

September 30, 2013 December 31, 2012

(Unaudited)

ASSETS

Current assets:

Cash and cash equivalents	\$12,271	\$14,768
Accounts receivable	40,847	52,769
Prepaid and other current assets	3,875	2,339
Deferred income taxes	2,469	1,895
Assets held for sale	<u>601</u>	<u>1,619</u>
Total current assets	60,063	73,390
Property and equipment, net	261,106	256,152
Total other assets	<u>26,568</u>	<u>28,716</u>
Total assets	<u><u>\$347,737</u></u>	<u><u>\$358,258</u></u>

LIABILITIES & SHAREHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$38,265	\$28,498
Accrued liabilities and other	21,301	30,790
Derivative liabilities	2,721	3,908
Liabilities held for sale	<u>7,355</u>	<u>8,416</u>
Total current liabilities	<u>69,642</u>	<u>71,612</u>
Total liabilities	156,257	144,431
Total shareholders' equity	<u>191,480</u>	<u>213,827</u>
Total liabilities and shareholders' equity	<u>\$347,737</u>	<u>\$358,258</u>

Reconciliation of Net Income to Adjusted EBITDAX

<i>U.S. Dollars in thousands</i>	<u>For the Three Months Ended Sept. 30,</u>		<u>For the Nine Months Ended Sept. 30,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Net (loss) income from continuing operations	\$(4,818)	\$469	\$1,117	\$7,569
Adjustments:				
Interest and other, net	637	67	1,800	4,862
Income tax expense	133	1,712	2,573	6,542
Exploration, abandonment, and impairment	2,243	2,104	17,992	11,783
Seismic expense	4,978	1,746	6,121	2,735
Foreign exchange loss (gain)	2,923	133	5,953	(3,066)
Share-based compensation	450	403	1,328	1,506
Loss (gain) on commodity derivative contracts.	3,137	7,146	(365)	5,277
Cash settlements on commodity derivative contracts	(919)	(853)	(2,655)	(3,100)
Accretion of asset retirement obligation	114	164	367	579
Depreciation, depletion, and amortization	11,487	8,147	30,044	26,698
Revaluation of contingent consideration	--	--	(5,000)	--
Net other items	<u>--</u>	<u>842</u>	<u>(1,815)</u>	<u>4,649</u>
Adjusted EBITDAX from continuing operations	<u>\$20,365</u>	<u>\$22,080</u>	<u>\$57,460</u>	<u>\$66,034</u>

Adjusted EBITDAX is a non-GAAP financial measure that represents earnings from continuing operations before income taxes, interest, depreciation, depletion, amortization, impairment, abandonment, and exploration expenses, unrealized derivative gains and losses, foreign exchange gains and losses, non-cash share-based compensation expense and significant non-recurring expenses.

The Company believes Adjusted EBITDAX assists management and investors in comparing the Company's performance and ability to fund capital expenditures and working capital requirements on a consistent basis without regard to depreciation, depletion and amortization and impairment of oil and natural gas properties and exploration expenses, which can vary significantly from period to period. In addition, management uses Adjusted EBITDAX as a financial measure to evaluate the Company's operating performance. Adjusted EBITDAX is also widely used by investors and rating agencies.

Adjusted EBITDAX is not a measure of financial performance under GAAP. Accordingly, it should not be considered as a substitute for net income, income from operations, or cash flow provided by operating activities prepared in accordance with GAAP. Net income, income from operations, or cash flow provided by operating activities may vary materially from Adjusted EBITDAX. Investors should carefully consider the specific items included in the computation of Adjusted EBITDAX. The Company has disclosed Adjusted EBITDAX to permit a comparative analysis of its operating performance and debt servicing ability relative to other companies.

About TransAtlantic

TransAtlantic Petroleum Ltd. is an international oil and natural gas company engaged in the acquisition, exploration, development and production of oil and natural gas. The Company holds interests in developed and undeveloped properties in Turkey and Bulgaria.

(NO STOCK EXCHANGE, SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE INFORMATION CONTAINED HEREIN.)

Forward-Looking Statements

This news release contains statements concerning the drilling, completion and cost of wells, the production and sale of oil and natural gas, the acquisition and processing of seismic data, the holding of an earnings conference call, as well as other expectations, plans, goals, objectives, assumptions or information about future events, conditions, results of operations or performance that may constitute forward-looking statements or information under applicable securities legislation. Such forward-looking statements or information are based on a number of assumptions, which may prove to be incorrect. In addition to other assumptions identified in this news release, assumptions have been made regarding, among other things, the ability of the Company to continue to develop and exploit attractive foreign initiatives.

Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include, but are not limited to, market prices for natural gas, natural gas liquids and oil products; estimates of reserves and economic assumptions; the ability to produce and transport natural gas, natural gas liquids and oil; the results of exploration and development drilling and related activities; economic conditions in the countries and provinces in which the Company carries on business, especially economic slowdowns; actions by governmental authorities, receipt of required approvals, increases in taxes, legislative and regulatory initiatives relating to fracture stimulation activities, changes in environmental and other regulations, and renegotiations of contracts; political uncertainty, including actions by insurgent groups or other conflict; outcomes of litigation; the negotiation and closing of material contracts; shortages of drilling rigs, equipment or oilfield services.

The forward-looking statements or information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Note on Boe

Barrels of oil equivalent, or Boe, are derived by the Company by converting natural gas to oil in the ratio of six thousand cubic feet ("Mcf") of natural gas to one bbl of oil. A Boe conversion ratio of 6 Mcf to 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. Boe may be misleading, particularly if used in isolation.

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