



August 6, 2015

TransAtlantic Petroleum Announces Second Quarter 2015 Financial Results, Provides Operational Update and Announces Appointment of General Counsel

HAMILTON, Bermuda, Aug. 6, 2015 (GLOBE NEWSWIRE) -- **TransAtlantic Petroleum Ltd.** (NYSE MKT:TAT) (TSX:TNP) (the "Company" or "TransAtlantic") today announced financial results for the quarter ended June 30, 2015, provided an update on its operations and announced the appointment of its Vice President and General Counsel.

Second Quarter 2015 Highlights

- Revenue of \$28.5 million, a 6% increase from \$27.0 million in the first quarter of 2015
- Adjusted EBITDAX from continuing operations of \$17.2 million, a 2% decrease from the first quarter of 2015 (Adjusted EBITDAX is a non-GAAP financial measure that is defined and reconciled to net income at the end of this press release)
- Average net sales production of 5,868 BOEPD, a 4% decrease from the first quarter of 2015 and a 17% increase over the second quarter of 2014 (comprised of 4,626 BOPD, a 2% decrease from the first quarter of 2015 and 7.4 MMCFPD of natural gas, an 8% decrease from the first quarter of 2015)
- Net loss from continuing operations of \$7.3 million, or \$0.18 per share (basic and diluted)

Hedge Update

Throughout 2015, TransAtlantic has had hedges in place with a floor price of \$85.00 for a portion of its Turkish oil production through March 2019. On June 10, 2015 the Company placed additional zero premium collars with a floor price of \$66.50 for a portion of its Turkey oil production through 2016. On August 3, 2015 the overall hedge portfolio was valued at approximately \$45 million. The Company continues to monitor the commodity price environment and will adjust its position as opportunities arise.

Second Quarter 2015 Results	For the Three Months Ended		
	June 30, 2015	March 31, 2015	June 30, 2014
Net Sales:			
Oil (MBbls)	421	429	318
Natural gas (MMCF)	676	733	821
Total net sales (MBOE)	534	551	455
Average net sales (BOEPD)	5,868	6,122	5,000
Realized Commodity Prices:			
Oil (\$/Bbl unhedged)	\$ 53.81	\$ 47.97	\$ 104.53
Oil (\$/Bbl hedged)	\$ 60.61	\$ 58.19	\$ 98.93
Natural gas (\$/MCF unhedged)	\$ 7.84	\$ 8.30	\$ 8.77
Natural gas (\$/MCF hedged)	\$ 7.84	\$ 8.30	\$ 8.77

Total revenues were \$28.5 million for the three months ended June 30, 2015, compared to \$27.0 million for the three months ended March 31, 2015 and \$41.1 million for the three months ended June 30, 2014. For the three months ended June 30, 2015, TransAtlantic generated a net loss from continuing operations of \$7.3 million, or \$0.18 per share (basic and diluted), compared to net loss from continuing operations of \$5.5 million, or \$0.13 per share (basic and diluted), for the three months ended March 31, 2015, and net income from continuing operations of \$1.4 million, or \$0.04 per share (basic and diluted), for the three months ended June 30, 2014.

Net income for the second quarter of 2015 included a \$3.3 million loss on commodity derivative contracts (of which \$6.1 million was an unrealized mark-to-market loss partially offset by a \$2.8 million realized gain) and impairment expense of \$4.1 million of which \$0.4 million was cash spent during the second quarter.

Adjusted EBITDAX from continuing operations for the three months ended June 30, 2015 was \$17.2 million, compared to \$17.6

million for the three months ended March 31, 2015 and \$27.5 million for the three months ended June 30, 2014.

Capital expenditures, including seismic and corporate expenditures, totaled \$10.9 million for the three months ended June 30, 2015 (\$4.6 million in Turkey, \$6.3 million in Albania), compared to \$7.8 million for the three months ended March 31, 2015 and \$28.7 million for the three months ended June 30, 2014.

Impact of Foreign Currency Exchange

During the three months ended June 30, 2015, Accumulated other comprehensive loss increased \$4.9 million to a total of \$107.8 million due primarily to foreign exchange rate changes in Turkey compared to the US Dollar. The financial statement impact is 100% non-cash and is reflected in Other Comprehensive income (loss) on the Consolidated Statement of Comprehensive Income (loss) and Shareholder's Equity on the Consolidated Balance Sheet. This adjustment impacts the value of Comprehensive Income and Shareholders' Equity but does not impact Net Income nor Earnings Per Share.

For more information related to the impact of foreign exchange on TransAtlantic's consolidated financial statements please refer to our annual report on Form 10-K for the year ended December 31, 2014.

Operational Update

TransAtlantic's current daily net production as of July 31, 2015 is approximately 5,500 BOE, and is comprised of approximately 4,300 BOPD and 7.3 MMCFPD. The Company is presently operating one drilling rig in the Molla Area. In addition, TransAtlantic is expanding its waterflood program in the Selmo field and continues to improve artificial lift capabilities in the Albanian oil fields with the installation of 13 pumps to date.

Southeastern Turkey - Selmo Field Redevelopment

The Company continues to see positive response from its waterflood program in the Selmo field. To date, TransAtlantic has added approximately 200 BOPD above established decline through waterflooding. TransAtlantic expects to initiate the waterflood in the western part of the field in September and to expand the waterflood in the southwestern part of the field near the end of the year.

Southeastern Turkey - Molla Drilling

TransAtlantic reached total depth of approximately 10,900 feet on the Bahar-9 (100% working interest), a vertical well in the Bahar field, early in the third quarter of 2015. Initial log analysis on the Bahar-9 indicates prospective pay as projected. The Company expects to complete the Bahar-9 and the South Goksu-1 (50% working interest) in the third quarter of 2015 and to sidetrack the Pinar-1 in the second half of 2015.

Albania

TransAtlantic commenced a workover program late in the second quarter of 2015 with the installation of 13 new pumps in the Company's three oil fields in Albania. The Company has seen positive results to date from the installation of the pumps. In July, the Delvina-34H1 well was suspended and the rig was released due to unresolved gas contract issues and the Company's desire to redirect capital investment.

Appointment of Vice President and General Counsel

TransAtlantic announced that its board of directors has approved the appointment of Chad Burkhardt, 41, as Vice President, General Counsel and Corporate Secretary effective August 24, 2015. Since 2008, Mr. Burkhardt has served as Partner in the Corporate department of Baker Botts L.L.P. where he advised clients on various corporate transactions including corporate securities offerings, mergers and acquisitions and various public company filings. Mr. Burkhardt brings significant cross-border and international transaction experience from a variety of industries ranging from oil and gas exploration, midstream, and oil field services to high-tech and start-up transactions. Mr. Burkhardt is a graduate of Duke University School of Law.

Second Quarter 2015 Earnings Conference Call

The Company has scheduled a conference call for Friday, August 7, 2015 at 7:30 a.m. Central (8:30 a.m. Eastern) to discuss second quarter 2015 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 84927277. A replay will be available through August 8, 2015 and may be accessed by dialing (855) 859-2056 or (404) 537-3406. The

conference ID is 84927277.

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.

Third Quarter 2015 Operations Update

TransAtlantic expects to issue a quarterly operations update for the Third Quarter of 2015 during the week of October 5, 2015.

TransAtlantic Petroleum Ltd.
Consolidated Statements of Comprehensive (Loss) Income
(U.S. Dollars and shares in thousands, except per share amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Revenues:	(unaudited)		(unaudited)	
Total revenues	\$ 28,490	\$ 41,061	\$ 55,486	\$ 74,707
Costs and expenses:				
Production	6,760	4,666	12,689	8,797
Transportation costs	337	--	404	--
Exploration, abandonment and impairment	4,093	3,775	4,440	7,916
Cost of purchased natural gas	469	440	735	925
Seismic and other exploration	93	892	151	4,186
Revaluation of contingent consideration	--	--	--	(2,500)
General and administrative	7,844	7,460	16,463	14,012
Depreciation, depletion and amortization	9,591	12,588	21,169	22,678
Accretion of asset retirement obligations	107	106	218	204
Total costs and expenses	<u>29,294</u>	<u>29,927</u>	<u>56,269</u>	<u>56,218</u>
Operating (loss) income	<u>(804)</u>	<u>11,134</u>	<u>(783)</u>	<u>18,489</u>
Other income (expense):				
Interest and other expense	(3,673)	(1,769)	(6,983)	(2,972)
Interest and other income	1,168	327	1,821	600
Gain on commodity derivative contracts	(3,274)	(9,522)	538	(8,560)
Foreign exchange gain (loss)	147	2,494	(5,001)	1,150
Total other expense	<u>(5,632)</u>	<u>(8,470)</u>	<u>(9,625)</u>	<u>(9,782)</u>
(Loss) income from continuing operations before income taxes	(6,436)	2,664	(10,408)	8,707
Income tax expense	(814)	(1,227)	(2,336)	(3,277)
Net (loss) income from continuing operations	(7,250)	1,437	(12,744)	5,430
Loss from discontinued operations before income taxes	--	--	--	(20)
Net (loss) income	(7,250)	1,437	(12,744)	5,410
Other comprehensive (loss) income:				
Foreign currency translation adjustment	(4,917)	5,092	(28,536)	1,797
Comprehensive (loss) income	<u>\$ (12,167)</u>	<u>\$ 6,529</u>	<u>\$ (41,280)</u>	<u>\$ 7,207</u>
Net (loss) income per common share				
Basic net (loss) income per common share				
Continuing operations	<u>\$ (0.18)</u>	<u>\$ 0.04</u>	<u>\$ (0.31)</u>	<u>\$ 0.15</u>
Discontinued operations	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Weighted average common shares outstanding	40,973	37,411	40,870	37,402
Diluted net (loss) income per common share				
Continuing operations	\$ (0.18)	\$ 0.04	\$ (0.31)	\$ 0.14
Discontinued operations	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Weighted average common and common equivalent shares outstanding	40,973	37,411	40,870	37,402

Note: On March 4, 2014, the Company's shareholders approved a 1-for-10 reverse stock split, which became effective March 6, 2014. As a result, all common share amounts and transactions described herein have been adjusted to reflect the 1-for-10 reverse stock split.

TransAtlantic Petroleum Ltd.
Summary Consolidated Statements of Cash Flows
(in thousands of U.S. Dollars)

	<u>For the Six Months Ended June 30,</u>	
	<u>2015</u>	<u>2014</u>
	(unaudited)	
Net cash provided by operating activities from continuing operations	\$ 21,808	\$ 41,460
Net cash used in investing activities from continuing operations	(20,419)	(65,582)
Net cash (used in) provided by financing activities from continuing operations	(15,940)	16,044
Net cash provided by discontinued operations	--	436
Effect of exchange rate changes on cash	(1,258)	(78)
Net decrease in cash and cash equivalents	\$ (15,809)	\$ (7,720)

TransAtlantic Petroleum Ltd.
Summary Consolidated Balance Sheets
(in thousands of U.S. Dollars, except share data)

	<u>June 30,</u>	<u>December 31,</u>
	<u>2015</u>	<u>2014</u>
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 19,323	\$ 35,132
Accounts receivable, net		
Oil and natural gas sales	25,537	29,673
Joint interest and other	6,858	19,918
Related party	554	602
Prepaid and other current assets	9,045	8,930
Deferred income taxes	604	329
Derivative asset	10,377	12,518
Restricted cash	1,868	1,917
Assets held for sale	27	28
Total current assets	<u>74,193</u>	<u>109,047</u>
Property and equipment:		
Oil and natural gas properties (successful efforts methods)		
Proved	384,929	424,031

Unproved	66,323	65,438
Equipment and other property	<u>40,192</u>	<u>42,343</u>
	491,444	531,812
Less accumulated depreciation, depletion and amortization	<u>(143,093)</u>	<u>(141,977)</u>
Property and equipment, net	348,351	389,835
Other long-term assets:		
Other assets	8,380	8,836
Note receivable - related party	11,500	11,500
Derivative asset	14,499	19,069
Deferred income taxes	787	1,181
Goodwill	<u>5,987</u>	<u>6,935</u>
Total other assets	<u>41,153</u>	<u>47,521</u>
Total assets	<u><u>\$ 463,697</u></u>	<u><u>\$ 546,403</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 30,327	\$ 39,407
Accounts payable - related party	11,282	18,488
Accrued liabilities	25,184	31,238
Deferred income taxes	1,448	2,138
Asset retirement obligations	270	323
Loans payable	31,601	45,806
Loan payable - related party	--	6,800
Liabilities held for sale	<u>6,421</u>	<u>6,928</u>
Total current liabilities	<u>106,533</u>	<u>151,128</u>
Long-term liabilities:		
Asset retirement obligations	9,938	11,053
Accrued liabilities	12,397	12,336
Deferred income taxes	51,613	54,430
Loans payable	90,648	85,192
Loan payable - related party	<u>20,800</u>	<u>20,800</u>
Total long-term liabilities	<u>185,396</u>	<u>183,811</u>
Total liabilities	<u>291,929</u>	<u>334,939</u>
Commitments and contingencies		
Shareholders' equity:		
Common shares, \$0.10 par value, 100,000,000 shares authorized; 40,994,565 shares and 40,708,120 shares issued and outstanding as of June 30, 2015 and December 31, 2014, respectively	4,099	4,071
Additional paid-in-capital	572,706	571,150
Accumulated other comprehensive loss	(107,846)	(79,310)
Accumulated deficit	<u>(297,191)</u>	<u>(284,447)</u>
Total shareholders' equity	<u>171,768</u>	<u>211,464</u>
Total liabilities and shareholders' equity	<u><u>\$ 463,697</u></u>	<u><u>\$ 546,403</u></u>

Reconciliation of Net (Loss) income to Adjusted EBITDAX (Unaudited)
(in thousands of U.S. Dollars)

For the Three Months Ended June 30, For the Six Months Ended June 30,

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
	(unaudited)		(unaudited)	
Net (loss) income from continuing operations	\$ (7,250)	\$ 1,437	\$ (12,744)	\$ 5,430
Adjustments:				
Interest and other, net	2,505	1,442	5,162	2,372
Income tax expense	814	1,227	2,336	3,277
Exploration, abandonment, and impairment	4,093	3,775	4,440	7,916
Seismic expense	93	914	151	3,951
Foreign exchange (gain) loss	(147)	(2,494)	5,001	(1,150)
Share-based compensation	597	317	864	713
Loss (gain) on commodity derivative contracts	3,274	9,522	(538)	8,560
Cash settlements on commodity derivative contracts	2,864	(1,781)	7,248	(2,533)
Accretion of asset retirement obligation	107	106	218	204
Depreciation, depletion, and amortization	9,591	12,588	21,169	22,678
Revaluation of contingent consideration	--	--	--	(2,500)
Net other items	706	442	1,538	442
Adjusted EBITDAX from continuing operations	<u>\$ 17,247</u>	<u>\$ 27,495</u>	<u>\$ 34,845</u>	<u>\$ 49,360</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, Albania 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, secondary recovery operations, the holding of an earnings conference call, the issuance of an operational update, the holding of an annual meeting of shareholders, 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 barrel of oil. A BOE conversion ratio of six MCF to one barrel 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.

CONTACT: Lizzy Chesnut

Investor Relations

(214) 265-4716

Wil Saqueton

Vice President and Chief Financial Officer

(214) 220-4323

TransAtlantic Petroleum Ltd.

16803 Dallas Parkway

Addison, Texas 75001

<http://www.transatlanticpetroleum.com>