



POWDER MOUNTAIN ENERGY LTD. ANNOUNCES ACQUISITION OF PROPERTY INTERESTS

Calgary, Alberta, July 17th, 2014 - Powder Mountain Energy Ltd. (“**Powder Mountain**”) (TSX-V: PDM) announces that it has acquired 8,160 gross (5,338 net) acres of petroleum and natural gas leases in the Hardy area of SE Saskatchewan (“**Hardy**”) from existing partners which includes two wells producing a total of 30 BOPD (net) of light oil production for consideration of \$2,000,000 effective January 1, 2014.

Powder Mountain has also agreed to purchase 3% gross overriding royalty interests on approximately 60 sections of land in Hardy (the “**GORR Agreements**”) from arm’s length parties for cash consideration of \$281,000. Subject to certain closing conditions, closing of the GORR Agreements is expected to occur on or before July 18, 2014 with an effective date of January 1, 2014.

Not for distribution to U.S. news wire services or dissemination in the United States.

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

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.

Certain statements contained in this news release constitute forward-looking statements. These statements relate to future events. All statements other than statements of historical fact are forward-looking statements. The use of the words “may”, “expected”, “believes” and other words of a similar nature are intended to identify forward-looking statements. 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. Although Powder Mountain believes these statements to be reasonable, no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. Such statements include statements with respect to the timing and closing of the GORR Agreements. Actual results could differ materially from those anticipated in these forward-looking statements as a result of prevailing economic conditions, receipt of requisite regulatory approvals, meeting closing conditions set out in the GORR Agreements, and other factors, many of which are beyond the control of Powder Mountain. There is no assurance

that the anticipated closings will occur on the anticipated date, if at all. The forward-looking statements contained in this news release represent the Corporation's expectations as of the date hereof, and are subject to change after such date. Powder Mountain disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by applicable securities regulations.

For further information contact:

Bruce Murray
President & CEO
Tel: 403-930-4061
Email: bmurray@powdermtenergy.com
Website: www.powdermtenergy.com

Daniel Tiberio
COO
Tel: 403-930-4070
Email: dtiberio@powdermtenergy.com