



POWDER MOUNTAIN ENERGY LTD. ANNOUNCES DISPOSITION OF NON-CORE WYOMING ASSETS

Calgary, Alberta, July 24, 2014—Powder Mountain Energy Ltd. (“**Powder Mountain**”) (TSX-V: PDM) is pleased to announce that it has entered into an agreement to sell certain of its property, wells and production in Wyoming (the “**Agreement**”) to an arm’s length third party for consideration of CDN\$1,985,000 effective March 31, 2014.

The disposition of these non-core assets will reduce Powder Mountain’s production by 30 BOPD (net) of sour, heavy oil production. The Agreement also includes the sale of approximately 18,106 gross (9,052 net) acres of petroleum and natural gas leases.

Closing of the sale is expected to occur on or before August 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 anticipated closing of the Agreement. Actual results could differ materially from those anticipated in these forward-looking statements as a result of prevailing economic conditions, meeting all the terms and conditions of the Agreement, receipt of requisite regulatory approvals, and other factors, many of which are beyond the control of Powder Mountain. There is a risk that the disposition may proceed on different terms and conditions, or not proceed 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.

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