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Torchlight Enters Drilling and Development Agreement with University Lands on its Orogrande Basin Project

PLANO, TX -- (Marketwired) -- 04/03/17 -- [Torchlight Energy Resources, Inc.](#) (NASDAQ: TRCH) ("**Torchlight**" or the "**Company**"), today announced that along with their operating partner Founders Oil and Gas, LLC ("Founders"), the Company has signed a Drilling and Development Unit (DDU) Agreement with University Lands on its Orogrande Basin Project. The agreement represents one of the largest DDU Agreements ever granted by the University Lands organization in the State of Texas, according to University Lands personnel.

The DDU agreement allows for all 192 existing leases covering the 133,000 net acres leased from University Lands to be combined into one lease for development purposes. The time to drill on the unit is extended through April of 2023 on the first extension. The agreement also grants exclusive right to continue through April of 2028 if compliance with the agreement is met and extension fee associated with the additional time paid. The Company's drilling obligations begin with one well in the first year, and increase to five wells per year by year 2023. The drilling obligation set is a minimum requirement and may be exceeded if acceleration is desired. The DDU agreement replaces all prior agreements and will govern future drilling obligations on the lease.

The agreement requires a payment from both Torchlight and Founders of \$335,323 as part of the extension fee. Torchlight's portion of the fee is being paid by Founders and will be deducted from the required spud fee payable to Torchlight at commencement of the next well drilled.

"The significance of this agreement to Torchlight is tremendous," stated John Brda, CEO of Torchlight Energy. "We have devoted significant time and effort to this DDU Agreement over the past year. Based on the sheer size of this play, its development by an independent under multiple leases would be nearly impossible. The DDU creation makes the Orogrande Basin Project manageable at reasonable cost and maximizes the attractiveness of the play to potential suitors in any future sale discussions."

About Torchlight Energy

[Torchlight Energy Resources, Inc.](#) (NASDAQ: TRCH), based in Plano, Texas, is a high growth oil and gas Exploration and Production (E&P) company with a primary focus on acquisition and development of highly profitable domestic oil fields. The company has

assets focused in West and Central Texas where their targets are established plays such as the Permian Basin. For additional information on the Company, please visit www.torchlightenergy.com.

Forward Looking Statement

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements involve risks and uncertainties that could cause actual results to differ materially from those described in such statements. Such forward-looking statements involve known and unknown risks and uncertainties, including risks associated with the Company's ability to obtain additional capital in the future to fund planned expansion, the demand for oil and natural gas, general economic factors, competition in the industry and other factors that could cause actual results to be materially different from those described herein as anticipated, believed, estimated or expected. The Company is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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