

MOONCOR

Oil & Gas

MOO: TSX Venture Exchange

August 14, 2014

MOONCOR OIL & GAS EXECUTES LOI TO ACQUIRE MINERAL RIGHTS TO APPROXIMATELY 320 SECTIONS IN PONDERA AND TETON COUNTIES IN NORTHWESTERN MONTANA USA

Toronto, Ontario – Mooncor Oil & Gas Corp. (“**Mooncor**”) (TSXV: MOO) announced today that they have entered into a binding letter agreement (the “**LOI**”) with an arm's length party to acquire oil and gas leases (the “**Leases**”) and related data over approximately 320 sections (net acres of 219,000) in the Pondera and Teton Counties in Northwestern Montana USA (the “**Property**”).

The acquisition relates to undeveloped leasehold mineral rights. The Property consists of a working interest in freehold and state petroleum and natural gas rights (surface to basement) which have up to eight years remaining on the Leases. Mooncor will be the operator of the working interests.

In 2012, there were seven vertical test wells drilled on the Property, cored and logged, and 95 square miles of proprietary 3D seismic shot, along with the drilling and completion of three horizontal wells. Targets were identified in the Sun River (Madison) formation with secondary oil potential existing in the Sunburst, Upper Potlatch Carbonate (UPC; BigValley equivalent) and Nisku formations. Mooncor plans on retesting a number of the previous wells drilled to determine their full potential.

Mooncor's working interest will be 70% in all the Property except for the spacing drilled by a major U.S. based industry partner (the “**JV Partner**”) in which case Mooncor's working interest will be 30%. The JV Partner previously paid \$7.5 million and spent \$41 million on the initial exploration program in order to acquire an average of 30% in all the Property except for the spacing drilled by the JV Partner where the JV Partner earned a working interest of 70% in each drilling space unit plus one additional spacing unit.

Pursuant to the LOI, Mooncor will acquire the following data:

- data from nine vertical wells evaluating the Nisku formation
- data from three horizontal wells evaluating the Nisku, Big Valley/Upper Potlatch Carbonate and lower Lodgepole formations
- 120 square miles of proprietary 3D seismic
- a high resolution aeromag study
- the identification of multiple conventional drilling targets

Mooncor will pay the vendor a 1% gross overriding royalty and assume its working interest share of the reclamation costs relating to the previous drilled wells and the ongoing lease payments on the Property.

Pursuant to the terms of the LOI, the acquisition is subject to the completion of certain conditions precedents, including satisfactory due diligence, execution of a definitive agreement, and any necessary director, regulatory, stock exchange, third party and shareholder approvals.

As previously announced on April 22, 2014, Mooncor plans to raise up to \$1.5 million in equity financing to fund exploration opportunities and prospects.

Business of Mooncor Oil & Gas Corp.

Mooncor Oil & Gas Corp. is a junior oil and gas exploration company. Mooncor's current emphasis is on securing a joint venture partner for its proven Muskwa/Duvernay liquids rich shale gas project at Hamburg, Alberta. Mooncor

also holds interests in lands in southwest Ontario where the focus has been on conventional oil and gas opportunities. Mooncor is also pursuing opportunities to realize near-term value from its southwest Ontario assets.

For more information please contact: Allen Lone
Chief Executive Officer
Mooncor Oil & Gas Corp.
(905) 338-2323 x 22
atlone@marconintl.com

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward looking statements. Although Mooncor believes that the expectations reflected in forward looking statements are reasonable, it can give no assurances that the expectations of any forward looking statements will prove to be correct. Except as required by law, Mooncor disclaims any intention and assumes no obligation to update or revise any forward looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.

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