

PRESS RELEASE

PETROCORP GROUP INC. ANNOUNCES RETURN OF CAPITAL

EDMONTON, August 8, 2013 – PetroCorp Group Inc. (PCG.H: NEX) (the "**Corporation**") announces today that it has declared a return of capital on its outstanding common shares (the "**Common Shares**") of \$0.0145 per share. The total return of capital paid will be approximately \$1,048,687. This return of capital will be payable on August 21, 2013 to shareholders ("**Shareholders**") of the Corporation of record on August 19, 2013 (the "**Record Date**").

Shareholders will receive \$0.0145 in cash for each Common Share held as of the Record Date. Shareholders with an adjusted cost base of their Common Shares in excess of \$0.0145 per share should not be subject to tax as a result of this distribution. However, the adjusted cost base of their Common Shares will be reduced by the amount of the distribution they receive. A capital gain should be realized by Shareholders to the extent that this capital distribution exceeds the adjusted cost base of their Common Shares. The Corporation is not required, nor does it intend to issue any reporting slips with respect to this distribution. Accordingly, any tax reporting slips which Shareholders may receive from the Corporation will not reflect this capital distribution.

The Corporation suggests that Shareholders obtain specific tax guidance where required, and in particular non-residents, which may be subject to different tax provisions and consequences according to their local tax laws.

The Common Shares will commence trading on a "due bills" basis on NEX effective from the opening on August 15, 2013 to and including the payment date: August 21, 2013. Sellers of the Common Shares on NEX from August 15, 2013 to and including August 21, 2013 will not be entitled to the distribution and any distribution payments received in accounts will be withdrawn. Holders including buyers on August 21, 2013 will be entitled to receive the distribution. The Common Shares will commence trading on NEX on an ex-distribution basis effective from the opening on August 22, 2013. Also, note that for entitlement of the distribution, the last trading day to purchase the Common Shares on NEX will be August 21, 2013.

For further information, please contact Larry Patriquin, Chief Executive Officer, at (780) 499-7662, or Randy Fries, Interim Chief Financial Officer, at (780) 910-9436.

Neither the NEX, nor its Regulatory Services Provider (as that term is defined in the policies of the NEX) accepts responsibility for the adequacy or accuracy of this release.