

Cequence Energy Ltd. Announces Increase to Bought Deal Financing of Common Shares

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CALGARY, June 1, 2012 /CNW/ - Cequence Energy Ltd. ("Cequence" or the "Company") (TSX:CQE) is pleased to announce that, due to excess demand, it has increased its previously announced bought deal common share short form prospectus offering detailed in its press release issued yesterday afternoon with a syndicate of underwriters led by Peters & Co. Limited and including Comark Securities Inc., National Bank Financial Inc., Stifel Nicolaus Canada Inc., GMP Securities L.P., Canaccord Genuity Corp. and TD Securities Inc. (collectively, the "Underwriters"), whereby Cequence will now issue an aggregate of 11,683,500 common shares at a price of \$1.20 per share, for aggregate gross proceeds from the common share prospectus offering of approximately \$14 million. Cequence intends to apply the additional proceeds to reduce its outstanding indebtedness under its credit facility.

Assuming the full exercise of the over-allotment option, Cequence expects to receive aggregate gross proceeds of \$37.6 million under the prospectus offering of common shares and flow through shares and the private placement.

In all other respects, the terms of the financings, including the over-allotment option and number of flow-through shares proposed to be issued, will remain as previously disclosed in the earlier press release.

Cequence is a publicly traded Canadian energy company involved in the acquisition, exploitation, exploration, development and production of natural gas and crude oil in western Canada. Further information about Cequence may be found in its continuous disclosure documents filed with Canadian securities regulators at www.sedar.com.

Advisories

The Toronto Stock Exchange has neither approved nor disapproved the contents of this press release.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Subscription Receipts and Cequence Shares to be offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended and may not be offered or sold in the United States or to a U.S. person absent registration or an applicable exemption from the registration requirements.

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For further information:

Paul Wanklyn, President & CEO, (403) 218-8850, pwanklyn@cequence-energy.com; David Gillis, VP Finance & CFO, (403) 806-4041, dgillis@cequence-energy.com

CO: Cequence Energy Ltd.

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