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LSE-AIM: XEL

23 December 2015

**Xcite Energy Limited
("Xcite Energy" or the "Company")**

Application to cease to be a reporting issuer in Canada

Xcite Energy announces that further to its voluntary delisting from the Toronto Stock Exchange (Venture) with effect from 30 September 2015 it has applied to the Alberta Securities Commission, as principal regulator, and the securities regulatory authority or regulator in each of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador for a decision that it is no longer a reporting issuer in Canada.

If the application is approved and Xcite Energy is no longer a reporting issuer in Canada, the Company will no longer be required to file financial statements and other continuous disclosure documents with Canadian securities regulatory authorities.

A decision to permit Xcite Energy to cease reporting in Canada will not affect Xcite Energy's trading on AIM or reporting obligations in the United Kingdom. In this regard, Canadian security holders will continue to have access to all financial statements and other continuous disclosure documents required to be filed by the Company in the United Kingdom pursuant to its quotation on the AIM market. All continuous disclosure documents of the Company are available on the Company's website at www.xcite-energy.com.

Forward-Looking Statements

This announcement contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil and gas exploration and production business. Whilst the Company believes the expectations reflected herein to be reasonable in light of the information available to it at this time, the actual outcome may be materially different owing to factors beyond the group's control or otherwise within the Company's control but where, for example, the Company decides on a change of plan or strategy. Accordingly, no reliance may be placed on the figures contained in such forward-looking statements.

Notes to Editors

Xcite Energy (LSE-AIM: XEL) is an oil appraisal and development company with a portfolio of heavy oilfield assets in the Northern North Sea in the UK. Xcite Energy holds a 100% working interest in the Bentley field; a heavy oil field with 2P recoverable reserves of 265 MMstb, making Bentley one of the largest undeveloped oilfields in the UK Continental Shelf.

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