ABN 42 112 256 649

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July 22, 2013   **RELEASE to ASX and TSXV**

Corporate Update

Solimar Energy Limited ("Solimar" or "the Company") is pleased to announce that the Kreyenhagen Ranch 2-33 well (K 2-33) successfully reached TD at 1,472 feet measured depth on July 20 and electric logs were run on July 21. The well was directionally drilled at a 48 degree angle and encountered over 600' of the Temblor formation heavy oil sands. Oil was present throughout the logged interval.

Logs are currently being analyzed by Schlumberger to determine rock and fluid properties including the percentage of oil and water in the rock. The results of the analysis are expected within a week. K 2-33 will be completed and placed on production, using a completion rig in due course, to obtain reservoir fluid samples and to evaluate the production performance of a deviated well on primary production. Solimar plans to include the well in an upcoming thermal (steam) pilot test scheduled for early 2014.

The Company has been informed that SCCP Solimar Holdings LP ("Second City") has issued a "Notice & Request" to Computershare Trust Company of Canada in its capacity as the Trustee (the "Trustee") under the Convertible Debenture Indenture dated June 26, 2012 (the "Indenture") providing for the issuance of convertible debentures by the Company (the "June Debentures"). Under the notice of default they have requested the payment of their outstanding interest and principal. Solimar has made arrangements to rectify this event of default through the payment of the interest owing of approximately C$110,000 to the holders of the June Debentures. Second City holds an aggregate of C$3.1 million of the June Debentures.

The Company has received the resignation of Ryan Dunfield as a Director of the Company effective immediately. The Company wishes Mr. Dunfield the best in his future endeavours.

The Company intends to complete a private placement of up to C$500,000 of Units (each Unit is comprised of one Common Share and up to one Warrant) at a price of C$0.015 on the TSXV which price is reserved for the Offering.

The Offering is subject to TSXV regulatory approval.

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Solimar Energy Limited

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.

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This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur, including without limitation statements relating to intended testing, work programs, financing and associated timelines. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Solimar Energy Limited cannot assure that actual results will be consistent with these forward-looking statements. They are made as of the date hereof and are subject to change and Solimar Energy Limited assumes no obligation to revise or update them to reflect new circumstances, except as required by law. Prospective investors should not place undue reliance on forward-looking statements. These factors include the inherent risks involved in the exploration for and development of crude oil and natural gas properties, the uncertainties involved in interpreting drilling results and other geological and geophysical data, fluctuating energy prices, the possibility of cost overruns or unanticipated costs or delays and other uncertainties associated with the oil and gas industry.