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For Immediate Release

BNK PETROLEUM INC. PROVIDES CORPORATE UPDATE

CAMARILLO CALIFORNIA, January 13, 2013 – BNK Petroleum Inc. (the “**Company**”) (TSX: BKX) provides the following update on its operations in Poland and Oklahoma.

Oklahoma

The exploration horizontal Barnes 6-2H well operated by the Company’s US subsidiary BNK Petroleum, (US) Inc. (BNKUS) in its Tishomingo field in Oklahoma, is still being tested with very encouraging results. The 21 day stabilized pumping production rate from the Lower Caney and Upper Sycamore (Mississippian Lime equivalent) formations was 180 barrels of oil equivalent (“BOE”) per day with 70 percent of the production being oil. As stated in previous press releases, the horizontal section was completed in both the Sycamore and lower members of the Caney formation. The testing results of the individual zones is designed to help optimize placement of laterals in future wells.

To determine which interval is producing the majority of the oil, packers were set in selected sections of the lateral to isolate the various horizons and conduct individual tests. The testing continues, as the individual tests are producing at higher flush rates than expected. For instance the Sycamore interval alone tested 140 barrels of fluid a day with 70% being oil and the balance being frac fluid that is still being recovered. The tests in the select Caney intervals are currently inconclusive because they are flowing clean oil at rates of 200 barrels of oil per day (“BOPD”).

This is providing good evidence that higher proppant concentrations and potentially more frac stages will further increase the productivity of these zones in future wells. Based on testing results to date, it is anticipated that future wells will include optimized frac stage spacing, much higher proppant concentrations, analogous to other successful shale oil projects, and 20% longer lateral lengths than this well while targeting the most productive interval. These optimizations are expected to further improve on the anticipated production rates and potential overall reserve recoveries in future wells targeting these zones.

BNKUS’s internally generated models show that a Sycamore/Caney well with a theoretical initial production rate of 450 BOPD would be expected to produce over 650,000 bbls of oil and yield a rate of return greater than 150 percent (based on 3 years of future strip pricing followed by Sproule’s forward curve pricing). In addition, this modeling also estimates that an initial production rate of only 150 BOPD, recovering 180,000 bbls of oil, would provide a 10% rate of return. These models are based on the results to date of testing the Barnes 6-2H well and the Nickel Hill 1-26 well and also incorporate the anticipated effect of the potential future optimizations referred to above. Since these zones are present over BNKUS’s entire acreage

position with average to above average calculated net pays (from publically available data), based on this modeling, Sycamore/Caney well development, if successful, would provide significant reserve additions.

Provided required capital is available, BNKUS also plans to drill Woodford shale wells in 2013 that will target oily areas of the field that have a high oil to gas ratio. Internal modeling by BNKUS shows that these oily areas should generate a 50% rate of return based on the same pricing assumptions as utilized above. BNKUS's partner and offset operator, XTO, appears to be focusing its Woodford activities in similar areas and has recently applied for a 55 acre spacing (11 wells per section) in a section where BNKUS has a non-operated interest. It should be noted that BNKUS's reserve report assumes a 160 acre spacing scenario (4 wells per section) for its current third party reserve estimate.

Corporate

The Company is pursuing a new debt facility that, if obtained, would replace its existing senior debt facility with an increased borrowing base that would enable the Company to accelerate its Tishomingo field development as described above, as well as provide some general working capital. There can be no assurance that such a facility will be obtained.

Poland

The Company has received gas in place estimates from third party contractors for its Gapowo B-1 well of up to 135 billion cubic feet ("BCF") per section. The Company's primary target interval, within the lower Silurian and Ordovician (110m gross) has gas in place estimates up to 86 BCF per section. The Gapowo B-1 well data has validated the Company's geologic model of increasing thickness and organic content over the Lower Silurian/Ordovician target interval as it moves into a more distal basinal setting. The Company hopes to achieve economic flow rates by drilling a lateral out of this wellbore due to the occurrence of very strong gas shows while drilling, good porosity, higher total organic content, over pressured shales, good permeability and gas in place estimates.

The Company is still awaiting the concession modification approval which is required for the re-entry of the Gapowo B-1 well to drill a horizontal leg to test these highly promising zones. The Company's application is progressing, and although it has not been provided a timeframe the Company expects to receive approval within a few months. In addition, discussions are continuing with multiple parties regarding farming into the Company's wholly owned concessions.

About BNK Petroleum Inc.

BNK Petroleum Inc. is an international oil and gas exploration and production company focused on finding and exploiting large, predominately unconventional oil and gas resource plays. Through various affiliates and subsidiaries, the Company owns and operates shale gas properties and concessions in the United States, Poland, Spain and Germany. Additionally the Company is utilizing its technical and operational expertise to identify and acquire additional unconventional projects outside of North America. The Company's shares are traded on the Toronto Stock Exchange under the stock symbol BKX.

Caution Regarding Forward-Looking Information

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws, including information regarding the Company's current plans and expectations in regard to the Barnes 6-2H well and the Gapowo B-1 well and its interpretation of results, expected production and rates of return, future well development and its effects on reserves, a new credit facility, gas in place estimates and a concession modification approval for the Gapowo B-1 well. Forward-looking information is based on plans and estimates of management and interpretations of exploration information by the Company's exploration team at the date the information is provided and is subject to several factors and assumptions of management, including that the indications of early results are reasonably accurate predictors of the prospectiveness of the shale intervals, that required regulatory approvals and financing will be available when required and on terms that are acceptable to the Company, that expected production from future wells can be achieved as modeled, declines will match the modeling, future well production rates will be improved over existing wells, that rates of return as modeled can be achieved, that recoveries are consistent with management's expectations, that additional wells are actually drilled and completed and the assumptions set out above under the heading "Oklahoma", that no unforeseen delays, unexpected geological or other effects, equipment failures, permitting delays or, labor or contract disputes are encountered, that the concession modification approval for the Gapowo B-1 well will be obtained, that the development plans of the Company and its co-venturers will not change, that the demand for oil and gas will be sustained, that the Company will continue to be able to access sufficient capital through financings, farm-ins or other participation arrangements to maintain its projects, and that global economic conditions will not deteriorate in a manner that has an adverse impact on the Company's business, its ability to advance its business strategy and the industry as a whole. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions on which such forward looking information is based vary or prove to be invalid, including that the Company or its subsidiaries is not able for any reason to obtain and provide the information necessary to secure required approvals, that the proposed new credit facility or other financing required to fund the Company's plans will not be obtained, that unexpected geological results are encountered in Oklahoma or in Poland, that completion techniques require further optimization, that production rates do not match the Company's assumptions, that very low or no production rates are achieved, that occurrences such as those that are assumed will not occur, do in fact occur, and those conditions that are assumed will continue or improve, do not continue or improve, any of which could result in delays, cessation in planned work or loss of one or more concessions and have an adverse effect on the Company and its financial condition. These risks as well as the other risks and uncertainties applicable to exploration activities and the Company's business as set forth in the Company's management discussion and analysis and its annual information form both of which are available for viewing under the Company's profile at www.sedar.com. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. "Mcf" means thousand cubic feet and "bbl" means barrel.

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