760 Paseo Camarillo, Suite 350
Camarillo, California 93010
Phone: (805) 484-3613
Fax: (805) 484-9649

TSX ticker symbol; BKX

For Immediate Release

BNK PETROLEUM INC. – OPERATIONS UPDATE

CAMARILLO CALIFORNIA, January 15, 2014 – BNK Petroleum Inc. (the "**Company**" or "**BNK**") (TSX: BKX), is providing an update on its Tishomingo Field, Caney oil shale operations in Oklahoma as well as its Polish shale gas project.

Oklahoma – Tishomingo Field

BNK's strategy for its 2013 Caney drilling program was to prove the productivity of the Caney formation in our Tishomingo field. The Company's efforts were focused on increasing the oil rate of each consecutive well, reducing drilling time and cost, testing the optimal lateral placement within the formation and optimizing the fracture stimulations. These goals have been successfully achieved.

Recently, in the Wiggins 12-8H, (96.5% working interest) the Company also focused on reducing completion costs by testing various fracture stimulation techniques. This work has contributed to a dramatic reduction in future estimated completion costs, as discussed below.

The Wiggins 12-8H, while still recovering stimulation fluid from its fracture treatment, has been steadily improving, with a recent 24 hour production rate of 300 Barrels of oil per day (BOPD) or 420 Barrels of oil equivalent per day (BOEPD). Due to technical issues encountered during the drilling of the Wiggins 12-8H and the testing of different fracture stimulation techniques, only 2,600 feet of lateral was effectively stimulated – approximately half the effective length planned in our Caney wells. Most importantly, on a net stimulated stage basis, oil production from this shorter lateral is comparable to the production from the Barnes 7-2H well.

Our previously completed well, the Barnes 7-2H (98.1% working interest) had a 30 day oil rate of 406 BOPD (520 BOEPD) and a 24 hour peak rate of 520 BOPD (750 BOEPD). This was the Company's first well which targeted the lower Caney interval and, despite a completion interval 15% shorter than previous wells, is producing at higher oil rates and significantly slower decline rates than previous wells placed in the Transition zone. The Company plans to return to the Barnes 7-2H well to stimulate the remaining 15% of the lateral.

BNK rig released its Leila 31-2H well (100.0% working interest) in a record 17 days and has initiated the fracture stimulation of 7 of the 33 planned stages. The completion is utilizing one of the new fracture stimulation techniques successfully tested in the Wiggins 12-8H well. The initial seven stages will be flowed back to fully evaluate the results prior to continuing with the fracture stimulation of the rest of the lateral.

Incorporating the significant improvement in drilling times and cost and the new stimulation technique, the Company expects that its future Caney wells will be approximately $8 million to drill and complete. The drilling rig has been released while the Company awaits the final core work from the Barnes 7-2H well and the results of the Leila 31-2H stimulation. The Company plans to begin its 2014 drilling program in the second quarter. Over the next few months the Company also plans to finish stimulating the remaining stages in the Barnes 7-2H and the Leila 31-2H wells. The Company's net year-end exit rate was approximately 1,040 BOEPD of which 635 barrels a day were oil with current net production at 1,415 BOEPD. The Company's net prospective Caney acreage totals about 14,880 acres.

Wolf Regener, President and Chief Executive Officer commented, "I am very pleased with the progress our team has made this past year in reaching our U.S. goals. The reduction of well drilling times, the refinement of the placement of the laterals and optimization of the completions has led to our now being able to drill much cheaper wells, with much lower decline rates and have a higher percentage of oil in the production mix. In our last two wells, approximately 70 percent of the production is oil versus about 50 percent in previous wells. A higher mix of oil in our production stream leads to higher netbacks in the current pricing environment".

The Company's investor presentation has been updated and can be found on Company's website. The presentation contains comparisons of a number of the Company's wells as well as an internally modelled estimated decline curve for its future Caney wells.

Poland

In Poland, the Company has initiated the drilling of the horizontal lateral with the re-entry of the Gapowo B-1 well, which is expected to take about 30 days to drill. The well is targeting the over-pressured, gas charged, organic-rich shales that were encountered in the vertical Gapowo B-1 well.

While drilling the vertical well, the average and maximum total gas readings were much higher than those seen in the Company's other Baltic Basin wells. The analysis of the log and core data leads the Company to believe that the Lower Silurian and Ordovician shales are highly prospective for shale gas as the shales have good total organic carbon, porosities and permeability's. The Company's geological work indicates that these characteristics are likely to extend over a significant portion of the Company's Baltic Basin acreage.

The Company plans to fracture stimulate seven of the available stages and evaluate the flowback prior to fracture stimulating the rest of the lateral. This two step approach will provide data to further optimize the fracture design prior to continuing the stimulation along the lateral section.

The Company, as well as Esrey Energy Ltd., have increased their ownership in Saponis Investments Sp. z o.o. ("Saponis") by acquiring the interests of the other two Saponis shareholders on a pro-rata basis. The Company now holds a 57.04% interest in Saponis up from the original 26.7%. The consideration for the acquisition is the assumption of the future obligations of the selling shareholders in Saponis on a pro-rata basis.

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 oil and 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. The Company's shares are traded on the Toronto Stock Exchange under the stock symbol BKX.

For further information, contact:

Wolf E. Regener +1 (805) 484-3613
Email: investorrelations@bnkpetroleum.com
Website: www.bnkpetroleum.com

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 statements regarding Caney wells and Gapowo B-1 well development, including plans, anticipated results and timing, estimated future Caney well costs and the prospectiveness of the Company's properties. 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 indications of early results are reasonably accurate predictors of the prospectiveness of the shale intervals, that anticipated results and estimated costs will be consistent with managements' expectations, that new stimulation techniques will be successful, that required regulatory approvals will be available when required, that no unforeseen delays, unexpected geological or other effects, equipment failures, permitting delays or labor or contract disputes or shortages are encountered, 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 anticipated results and estimated costs will not be consistent with managements' expectations, new completion techniques proving to be unsuccessful, the Company or its subsidiaries is not able for any reason to obtain and provide the information necessary to secure required approvals or that required regulatory approvals are otherwise not available when required, that unexpected geological results are encountered, that equipment failures, permitting delays or labor or contract disputes or shortages are encountered, 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 the Company is unable to access required capital, 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, and the other risks and uncertainties applicable to exploration and development 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, 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. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

BOEs/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.