



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. ANNOUNCES COMMENCEMENT OF DRILLING OPERATIONS**

**CAMARILLO CALIFORNIA, December 21, 2016** – BNK Petroleum Inc. (the “**Company**”) (TSX: BKX), is pleased to announce that drilling operations have commenced today on its Tishomingo Field, Caney oil shale operations in Oklahoma.

The drilling rig contracted by the Company has begun drilling the Chandler 8-6H Caney shale oil well. Drilling is expected to take approximately 30 days, after which the rig will immediately move to the Hartgraves 1-6H location where final preparations are being completed. The fracture stimulation of the Chandler 8-6H well is planned to commence after the drilling rig has moved to the Hartgraves location.

Wolf Regener, President and CEO, commented “We have an excellent team in place, comprised of our employees, contractors and consultants, to execute this drilling program and continue our successful development of the Caney Shale Oil field. The drill sites we have selected are offsetting some of our best performing wells, in geologically comparable areas. We expect the wells to significantly increase our already positive cash flow, as well as prove up additional reserves.”

### Operations Update

The Company has shut-in 3 wells due to offset fracture stimulations being performed by another operator on a number of wells in the Woodford formation which lies beneath the Caney. The offset operator’s operations are expected to be completed in the next few weeks at which time the wells will be re-started. The Company does not expect this to impact the long-term production of the wells going forward. The four non-operated Woodford wells, in which the Company has a 5% working interest, have been fracture stimulated by the offset operator and are also expected to come on production in the coming weeks.

### ***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. Additionally, the Company is utilizing its technical and operational expertise to identify and acquire additional 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](mailto:investorrelations@bnkpetroleum.com)  
Website: [www.bnkpetroleum.com](http://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 the timing of and expected results from planned Caney wells development, the re-start and performance of shut-in wells and commencement of production from non-operated wells. 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 that indications of early results are reasonably accurate predictors of the prospectiveness of the shale intervals, 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 are encountered, that the development plans of the Company and its co-venturers will not change, that the offset operator's operations will proceed as expected by management, 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 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 the the offset operator's operations take longer than expected or have unexpected adverse effects on the Company's operations, 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](http://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.*