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For Immediate Release

BNK PETROLEUM INC. ANNOUNCES NEW SENIOR CREDIT FACILITY AND OPERATIONS UPDATE

CAMARILLO, CALIFORNIA, July 30, 2014 – BNK Petroleum Inc. (the “**Company**”) (TSX: BKK) is pleased to announce that its indirect wholly owned subsidiary BNK Petroleum (US) Inc. (“**BNK US**”) has obtained a new US\$100,000,000 credit facility (“**new facility**”) from Morgan Stanley Capital Group Inc. (“**MSCGI**”). The initial commitment amount of the new reserve-based facility is US\$15,900,000.

The proceeds from the new facility are intended to fund drilling of Caney shale oil wells in the Tishomingo field in Oklahoma. The new facility will bear interest at a per annum rate equal to then three month LIBOR plus an applicable margin ranging from 2% to 7% based on the ratio of outstanding borrowings to present value of proved developed producing reserves discounted at 9% (“**PDP PV9**”). The facility provides for interest only payments until the July 2018 maturity date. Additional commitment amounts will be subject to new reserve evaluations.

Commenting on the new facility, Wolf Regener, President and CEO said “We are pleased to once again be working with MSCGI, and appreciate their shared belief in the potential of our assets. This facility has been structured to grow with our future cash flow needs and to expand our planned drilling program beyond the 3 Caney wells previously announced. Our intention is to continue our Caney drilling program throughout 2014 and 2015.”

Oklahoma – Tishomingo Field

The Company has completed drilling the Wiggins 11-2H well (93.4% working interest) with a 5,050 foot treatable lateral section. The Wiggins 11-2H, the first of three planned Caney formation wells previously announced, was drilled vertically, had an extensive suite of logs run, was subsequently plugged back and horizontally directionally drilled. This lateral was placed in what the Company believes is the most productive stratigraphic portion of the Caney, based on the analysis of previous well results and the pilot hole. The fracture stimulation of the well is expected to begin within the next two weeks. The drilling rig is moving to the Hartgraves 1-5H location and is expected to begin drilling within the week. The Hartgraves 1-5H well (100% working interest) is expected to be drilled in less than 30 days as it will not have a pilot hole.

After drilling the Hartgraves 1-5H well the Company’s net Caney acreage will have increased to about 15,500 acres.

Poland

As previously announced, the Company successfully placed proppant in 9 of the 20 stages attempted in its Gapowo B-1 horizontal well, and is continuing its recovery of the fracture stimulation fluid (“fluid”). Mechanical issues with the artificial lift equipment resulted in a fluid recovery rate that was slower than anticipated. The mechanical issues were corrected late last week, and fluid recovery re-commenced at higher rates. As of this date, 21% of the fluid has been recovered, with continuous natural gas being produced from the well.

The well has had gas rates spiking to over one million cubic feet per day for short periods of time, and is currently averaging between 200,000 to 400,000 cubic feet per day. These gas rates may continue to increase as the well continues to unload fluid. The preliminary flowback and gas production results obtained so far indicate that the fracture stimulation may have achieved a lower than desired effective permeability. The Company believes that only a few of the 9 stages may have been successful in creating the desired conductivity. Downhole pressure recorders were installed which will provide further information during the continued flowback. This data will also help in understanding the stronger-than-expected build-up that occurred during the period when the well was shut-in for mechanical repairs.

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 and Spain. 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.

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This news release contains short-term production rates. Readers are cautioned that such production rates are not necessarily indicative of long-term performance or of ultimate recovery.

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 use of proceeds from the new facility and Caney and Gapowo B-1 wells development, including plans, anticipated results and timing. 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 will be available when required, 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, 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 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 unexpected geological results 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, 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 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. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.