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For Immediate Release

BNK PETROLEUM INC. ANNOUNCES FIRST QUARTER 2018 RESULTS

CAMARILLO CALIFORNIA, May 9, 2018 -
All amounts are in U.S. Dollars unless otherwise indicated:

FIRST QUARTER HIGHLIGHTS

- During the first quarter of 2018, the Company commenced its 2018 development drilling program by drilling two wells, the Glenn 16-2H well and the WLC 14-1H well (both 100% working interest)
- The Glenn 16-2H well, which started production in late March, had a 30-day initial production (IP) rate of 630 boepd, of which 540 barrels was oil. This is 45% higher than the Company's next highest well's oil production at the 30 day mark
- Average production for the first quarter of 2018 was 1,464 BOEPD, an increase of 94% compared to first quarter 2017 average production of 753 BOEPD. The increase was primarily due to the addition of three producing wells in 2017 and the Glenn 16-2H well in 2018
- Average production for the month of April 2018, which included a full month of production from the Glenn 16-2H well, was 1,833 BOE
- Funds from operations was $2.2 million in the first quarter 2018 compared to $0.9 million in the first quarter of 2017. The increase was mainly due to a 94% increase in production combined with a 25% increase in oil prices partially offset by realized losses from commodity contracts in the first quarter of 2018
- Net loss for the first quarter of 2018 was approximately $0.5 million compared to a net income of $1.0 million for the first quarter of 2017 due to unrealized losses of $0.8 million from hedged commodity contracts in the first quarter of 2018 compared to an unrealized gain of $1.5 in first quarter 2017
- Revenue, net of royalties was $4.9 million in the first quarter of 2018 compared to $2.2 million for first quarter of 2017, an increase of 127%, as production increased by 94% and average prices increased 16% between the quarters
- Average netback per barrel for the first quarter of 2018 was $29.95, an increase of 16% from the prior year first quarter due to the higher prices in 2018. The Company received prior period adjustments for its natural gas volumes sold and processing costs related to prior years. Excluding the impact of these prior period adjustments, the netbacks for the first quarter of 2018 were $31.69 per BOE, an increase of 23% from the prior year first quarter
- At March 31, 2018, cash totaled $1.0 million and the Company had $3.0 million in available borrowing capacity on its credit facility. The Company's working capital was $(5.1) million and the Company's 90-Day working capital, which includes borrowings under its credit facility expected in the next 90 days and the fair value of the liability under its commodity contracts that are payable within 90 days, was $(0.9) million

BNK's President and Chief Executive Officer, Wolf Regener commented:

"We are excited to have kicked off our 2018 development drilling program with the excellent results of the Glenn 16-2H well, which started producing in late March. As previously disclosed, the 30-day initial production (IP) rate of the Glenn well was 630 boepd, including 540 barrels of oil, which is 45% higher than the 30-day oil IP rate from any of our past wells. The Glenn 16-2H well was the first to utilize our latest generation frack design which our technical team believes was the main driver of these impressive results. Our April production, which included a full month of the Glenn 16-2H well, was 1,833 BOE per day.

We just completed the fracture stimulation of the WLC 14-2H well, using the same frack design as was used on the Glenn 16-2H well, and we expect to release the preliminary flow results from the well later this month. Once again, I am proud that our team has safely executed both the drilling and fracture stimulation of this well on time and we are expecting the total cost for the well to again come in below our estimated $5.7 million budget. Since this well is outside of the acreage that was evaluated by our reserve engineers at the end of 2017, a successful production rate from the WLC 14-2H well should prove up significant reserves in future reserve reports. We are currently in the planning stage of selecting the next locations to be drilled in our 2018 development drilling program which we are planning to start in the third quarter.

Our net revenue increased by 127% in the first quarter 2018 as production increased by 94% and average prices increased by 16% compared to the prior year quarter. In addition, we generated funds from operations of $2.2 million in the first quarter of 2018, which was a 144% increase from the first quarter 2017 amount of $0.9 million. The first quarter 2018 only included a few days of production from the Glenn 16-2H well, so we expect a further increase to our funds from operations going forward.

Average netbacks for the first quarter of 2018 were $29.95 per boe, an increase of 16% compared to the prior year due to higher prices. We had some prior year natural gas adjustments which impacted our netbacks during the first quarter. If these adjustments are excluded from the netback calculation, our average netbacks for the first quarter of 2018 would be $31.69 per boe, an increase of 23% compared to the first quarter of 2017.

In the first quarter of 2018, the Company incurred a net loss of $0.5 million compared to a net income of $1.0 million in the first quarter 2017. This is primarily due to an unrealized loss on financial commodity contracts of $0.8 million in the first quarter of 2018, compared to an unrealized gain of $1.5 million in the first quarter of 2017."

	1st Qtr 2018	1st Qtr 2017	%
Net income (loss):			
$ Thousands	($494)	$984	(150)
$ per common share assuming dilution	($0.00)	$0.01	-
Capital Expenditures	$7,930	$10,544	(25)
Production per day (Boepd)	1,464	753	94
Product Price per Barrel	$47.97	$41.45	16
Netback per Barrel	$29.95	$25.81	16
Netback per Barrel excluding prior year adjustments	$31.69	$25.81	23
Netback per Barrel including Commodity Contracts	$26.77	$32.92	(19)

	3/31/2018	12/31/2017
Cash and Cash Equivalents	$ 1,024	$ 521
Working Capital	$(5,058)	$ (537)
90-Day Working Capital	$ (884)	$ 2,227

First Quarter 2018 versus First Quarter 2017

Oil and gas gross revenues totaled $6,320,000 in the quarter versus $2,809,000 in the first quarter of 2017. Oil revenues increased $3,065,000 or 128% as oil production increased by 81% to 989 boepd and average oil prices increased by $12.48 per barrel or 25% to $61.43. Natural gas revenues increased $219,000 or 139% to $376,000 as natural gas production increased 189% to 1,597 mcfpd which was partially offset by an average natural gas price decrease of $0.54/mcf or 17% to $2.62/mcf. Natural gas liquids (NGLs) revenues increased $227,000 or 90% as NGL production increased 80% to 209 boepd and average NGL prices increased 6% to $25.47.

Average first quarter 2018 production per day increased 94% from the first quarter of 2017 due to three additional wells added to production in 2017 and one well in 2018.

Production and operating expenses increased to $987,000 and the per boe production and operating costs increased by 10% to $6.91/boe due to higher production taxes in 2018, which increased taxes by $0.90/boe, as well as a non-recurring workover of one well during the first quarter of 2018.

Depletion and depreciation expense increased $797,000 or 83% due to an increase in production in the first quarter of 2018.

General and administrative expenses increased $86,000 or 9% due to advisor fees in the first quarter of 2018.

Stock based compensation decreased by $15,000 or 34% due to the timing of stock awards granted to employees.

Finance income decreased $2,039,000 in the first quarter of 2018 compared to the prior year quarter primarily due to unrealized and realized gains on commodity contracts in the first quarter of 2017.

Finance expense increased $1,154,000 in the first quarter of 2018 compared to the prior year quarter primarily due to unrealized and realized losses on commodity contracts in the first quarter of 2018 offset by reduced interest expense on the credit facility in 2018.

Capital expenditures of $7,930,000 were incurred in the first quarter of 2018 relating to the 2018 drilling program in the US.

BNK PETROLEUM INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited, Expressed in Thousands of United States Dollars)
($000 except as noted)

	March 31 2018	December 31 2017
Current Assets		
Cash	$1,024	$521
Trade and other receivables	2,319	2,510
Other current assets	481	563
	3,824	3,594
Non-current assets		
Property, plant and equipment	153,496	147,195
	153,496	147,195
Total Assets	$157,320	$150,789
Current Liabilities		
Trade and other payables	$7,156	$3,132
Fair value of commodity contracts	1,726	999
	8,882	4,131
Non-current liabilities		
Loans and borrowings	26,513	24,484
Asset retirement obligations	1,074	950
Fair value of commodity contracts	1,035	951
	28,622	26,385
Equity		
Share capital	289,522	289,522
Contributed surplus	22,443	22,406
Deficit	(192,149)	(191,655)
Total Equity	119,816	120,273
Total Equity and Liabilities	$157,320	$150,789

BNK PETROLEUM INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Unaudited, expressed in Thousands of United States dollars, except per share amounts)

($000 except as noted)

	Three months ended March 31,	
($000's)	**2018**	**2017**
Oil and gas revenue net of royalties	$4,932	$2,177
Other income	18	1
	4,950	2,178
Production and operating expenses	987	427
Depletion and depreciation	1,754	957
General and administrative expenses	1,023	937
Share based compensation	29	44
	$3,793	$2,365
Finance Income	-	2,039
Finance Expense	(1,625)	(471)
Net income (loss) and comprehensive income (loss) from continuing operations	$(468)	$1,381
Net loss and comprehensive loss from discontinued operations	(26)	(397)
Net income (loss)	(494)	984
Net income (loss) per share	$(0.00)	$0.01

BNK PETROLEUM INC.

FIRST QUARTER 2018

(Unaudited, expressed in Thousands of United States dollars, except as noted)

	Quarter Ending March 31,	
	2018	**2017**
Oil revenue before royalties	$5,466	$2,401
Gas revenue before royalties	376	157
NGL revenue before royalties	478	251
Oil and Gas revenue	6,320	2,809
Funds from operations	2,161	886
Capital expenditures	(7,930)	(10,544)
Statistics:		
Average oil production (Bopd)	989	545
Average natural gas production (mcf/d)	1,597	552
Average NGL production (Boepd)	209	116
Average production (Boepd)	1,464	753
Average oil price ($/bbl)	$ 61.43	$ 48.95
Average natural gas price ($/mcf)	2.62	3.16
Average NGL price ($/bbl)	25.47	24.05
Average price per barrel	$49.45	$41.45
Royalties per barrel	10.85	9.34
Operating expenses per barrel	6.91	6.30
Prior period adjustments	1.74	-
Netback per barrel	$29.95	$25.81
Average price per barrel including commodity contracts	$46.27	$48.56
Royalties per barrel	10.85	9.34
Operating expenses per barrel	6.91	6.30
Prior period adjustments	1.74	-
Netback per barrel including commodity contracts	$26.77	$32.92

The information outlined above is extracted from and should be read in conjunction with the Company's unaudited financial statements for the three months ended March 31, 2018 and the related management's discussion and analysis thereof, copies of which are available under the Company's profile at www.sedar.com.

NON-GAAP MEASURES

Netback per barrel, netback excluding prior period adjustments, netback including commodity contracts, net operating income, funds from operations and 90-Day working capital (collectively, the "Company's

Non-GAAP Measures") are not measures recognized under Canadian generally accepted accounting principles ("GAAP") and do not have any standardized meanings prescribed by GAAP.

The Company's Non-GAAP Measures are described and reconciled to the GAAP measures in the management's discussion and analysis which are available under the Company's profile at www.sedar.com.

CAUTIONARY STATEMENTS

In this news release and the Company's other public disclosure:

(a) The Company's natural gas production is reported in thousands of cubic feet ("**Mcfs**"). The Company also uses references to barrels ("**Bbls**") and barrels of oil equivalent ("**Boes**") to reflect natural gas liquids and oil production and sales. 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. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

(b) Discounted and undiscounted net present value of future net revenues attributable to reserves do not represent fair market value.

(c) Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

(d) The Company discloses peak and 30-day initial production rates and other short-term production rates. Readers are cautioned that such production rates are preliminary in nature and are not necessarily indicative of long-term performance or of ultimate recovery.

Caution Regarding Forward-Looking Information

This release contains forward-looking information including information regarding the proposed timing and expected results of exploratory and development work including production from the Company's Tishomingo field, Oklahoma acreage, availability of funds from the Company's reserves based loan facility, expected hedging levels and the Company's strategy and objectives. The use of any of the words "target", "plans", "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements.

Such forward-looking information is based on management's expectations and assumptions, including that the Company's geologic and reservoir models and analysis will be validated, that indications of early results are reasonably accurate predictors of the prospectiveness of the shale intervals, that previous exploration results are indicative of future results and success, 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 design and performance improvements will reduce development time and expense and improve productivity, that discoveries will prove to be economic, that anticipated results and estimated costs will be consistent with managements' expectations, that all required permits and approvals and the necessary labor and equipment will be obtained, provided or available, as applicable, on terms that are acceptable to the Company, 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 demand for oil and gas will be sustained, that the Company will continue to be able to access sufficient capital through financings, credit facilities, farm-ins or other participation arrangements to maintain its projects, that the Company will continue in compliance with the covenants under its reserves-based loan facility and that the borrowing base will not be reduced, that funds will be available from the Company's reserves based loan facility when required to fund planned operations, that the Company will not be adversely affected by changing government policies and regulations, social instability or other political, economic or diplomatic developments in the countries in which it operates and that global economic conditions will not deteriorate in a manner that has an adverse impact on the Company's business and its ability to advance its business strategy.

Forward looking information involves significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: any of the assumptions on which such forward looking information is based vary or prove to be invalid, including that the Company's geologic and reservoir models or analysis are not validated, anticipated results and estimated costs will not be consistent with managements' expectations, the risks associated with the oil and gas industry (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to exploration and development projects or capital expenditures; the uncertainty of reserve and resource estimates and projections relating to production, costs and expenses, and health, safety and environmental risks including flooding and extended interruptions due to inclement or hazardous weather), the risk of commodity price and foreign exchange rate fluctuations, risks and uncertainties associated with securing the necessary regulatory approvals and financing to proceed with continued development of the Tishomingo Field, 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 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 will cease to be in compliance with the covenants under its reserves-based loan facility and be required to repay outstanding amounts or that the borrowing base will be reduced pursuant to a borrowing base re-determination and the Company will be required to repay the resulting shortfall, that the Company is unable to access required capital, that funding is not available from the Company's reserves based loan facility at the times or in the amounts required for planned operations, 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 identified in the Company's most recent Annual Information Form under the "Risk Factors" section, the Company's most recent management's discussion and analysis and the Company's other public disclosure, available under the Company's profile on SEDAR at www.sedar.com.

With respect to estimated reserves, the evaluation of the Company's reserves is based on a limited number of wells with limited production history and includes a number of assumptions relating to factors such as availability of capital to fund required infrastructure, commodity prices, production performance of the wells drilled, successful drilling of infill wells, the assumed effects of regulation by government agencies and future capital and operating costs. All of these estimates will vary from actual results. Estimates of the recoverable oil and natural gas reserves attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of future net revenues expected therefrom, may vary. The Company's actual production, revenues, taxes, development and operating expenditures with respect to its reserves will vary from such estimates, and such variances could be material. In addition to the foregoing, other significant factors or uncertainties that may affect either the Company's reserves or the future net revenue associated with such reserves include material changes to existing taxation or royalty rates and/or regulations, and changes to environmental laws and regulations.

Although the Company has attempted to take into account important factors that could cause actual costs or results to differ materially, there may be other factors that cause actual results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The forward-looking information included in this release is expressly qualified in its entirety by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

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. 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 and on the OTCQX under the stock symbol BNKPF.

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