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TSX ticker symbol; BKX
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For Immediate Release

BNK PETROLEUM INC. Announces Commencement of Strategic Review Process

All amounts are in U.S. Dollars unless otherwise indicated

CAMARILLO, California, March 25, 2018 - BNK Petroleum Inc. ("BNK" or the "Company") (TSX:BKX, OTCQX:BNKPF) owns and operates the Tishomingo field, a strategic and highly focused shale oil property concentrated in the Southern SCOOP play/Ardmore basin of Oklahoma ("Tishomingo Project"). BNK's successful delineation of the Tishomingo Project has resulted in continued growth in reserves, which provide for significant growth potential as the Project moves into the development phase. As such, BNK's Board of Directors ("Board") has determined that it is the opportune time to initiate a formal process to identify and evaluate strategic options to optimize the capitalization and growth prospects of the Company to enhance shareholder value as we move into this next phase.

A Special Committee of the Board led by David Neuhauser as its Chairman will work with management and the Company's external advisors to supervise the review of strategic options. The Special Committee has a mandate to identify, examine and evaluate all strategic options and recommend to the Board whether any transaction is in the best interests of BNK and its shareholders.

The Board and management team believe that significant additional value can be unlocked from the Tishomingo Project given the established land position, high netback oil production, low decline rates, healthy leverage position with debt to operating income of under 2.0x, attractive development locations (verified by BNK's independent reserves auditor) and current market dynamics. As such, the review of strategic options will focus on opportunities to achieve the lowest cost of capital associated with accelerating the development of the Tishomingo Project, and maximizing shareholder value. This may include a sale of assets, corporate sale or merger, joint venture, drilling fund, refinancing, recapitalization or other strategic actions that achieve the creation of additional value for shareholders. This review may result in no specific path being pursued, with the Company continuing its operations as they currently exist with a focus on the next phase of development of the Tishomingo Project.

BNK's Tishomingo Project covers approximately 17,680 net acres in the Caney Shale oil horizon of the Southern SCOOP/Ardmore Basin of Oklahoma. BNK operates 17 gross producing Caney wells and has interests in 5 additional well (1 non-op Caney well and 4 non-op Woodford well) with full development expected to reach over 185 wells and further upside potential from 3,100 net acres not currently evaluated by NSAI (as defined below), providing for significant production growth from current levels. BNK has successfully driven early stage, high impact exploration success resulting in significant oil reserves at the Tishomingo Project. The next phase of development and associated exploitation of these resources could be better suited within an entity with a lower cost of capital.

In addition, recent corporate activity in the United States has demonstrated that high quality oil and liquids rich assets are in demand. Recent reserve updates by BNK and activity from major operators in the region have had positive implications on the underlying value of Tishomingo Project.

The following table summarizes reserves information regarding the Tishomingo Project:

Summary of Oil & Gas Reserves								
Reserve Category	Tight Oil		Shale Gas		Natural Gas Liquids		MBOE's	
	BNK Gross (Mbbbl)	Net (Mbbbl)	BNK Gross (MMcfc)	Net (MMcfc)	BNK (Mbbbl)	Net (Mbbbl)	BNK (Mbbbl)	Net (Mbbbl)
Proved								
Developed Producing	3,074	2,413	3,033	2,376	760	590	4,338	3,399
Developed Non-Producing	314	256	172	140	43	35	385	314
Undeveloped	22,173	17,443	16,706	13,081	4,148	3,248	29,106	22,871
Total Proved	25,560	20,112	19,911	15,598	4,950	3,873	33,829	26,585
Probable	13,388	10,641	14,574	11,604	3,619	2,881	19,436	15,456
Total Proved Plus Probable	38,948	30,753	34,485	27,201	8,569	6,754	53,264	42,041
Possible	18,099	14,511	17,143	13,680	4,257	3,397	25,213	20,188
Total Proved Plus Probable Plus Possible	57,047	45,264	51,628	40,881	12,826	10,151	78,478	62,229

Net Present Value of Future Net Revenue As of December 31, 2018 Forecast Prices & Costs										
Reserve Category	Net Present Value of Future Net Revenue (\$ millions)									
	Before Income Tax					After Income Tax				
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%
United States										
Proved										
Developed Producing	134.2	96.0	74.8	61.7	52.9	134.2	96.0	74.8	61.7	52.9
Developed Non-Producing	17.4	12.0	9.3	7.8	6.7	17.4	12.0	9.3	7.8	6.7
Undeveloped	807.4	466.9	292.7	191.9	128.4	596.1	366.7	234.2	153.0	100.7
Total Proved	959.1	574.9	376.8	261.4	188.0	747.7	474.7	318.3	222.5	160.3
Probable	570.6	269.8	144.5	82.9	48.9	420.4	210.8	112.6	62.7	35.3
Total Proved Plus Probable	1,529.7	844.7	521.3	344.3	236.9	1,168.7	685.5	430.9	285.2	195.6
Possible	889.7	355.3	168.9	88.6	48.9	655.6	281.6	130.9	64.7	33.2
Total Proved Plus Probable plus Possible	2,419.4	1,200.0	690.3	432.9	285.8	1,823.7	967.1	561.8	349.9	228.8

Note: All dollar values are expressed in U.S. dollars and as evaluated by Netherland, Sewell & Associates, Inc. ("NSAI") in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

The Company has engaged Macquarie Capital Markets Canada Ltd. ("Macquarie") as financial advisor in connection with this comprehensive review and analysis of strategic options. BNK and Macquarie are currently compiling information for a corporate data room, which will be available for review by interested parties upon execution of a confidentiality agreement in connection with the process.

BNK has not set a definitive schedule to complete its identification, examination and evaluation of strategic options or made a decision to pursue any particular option. The review process has not been initiated as a result of receiving any transaction proposal. Given the nature of the process and the need for confidentiality during this process, the Company does not intend to provide updates until such time as the Board determines that further disclosure is necessary or appropriate.

The Company cautions that there are no guarantees that the review of strategic options will result in any specific alternative path being pursued. Throughout its review of strategic options, the Company will continue to execute its business strategy.

Further information along with BNK's current presentation can be found at www.bnkpetroleum.com

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About BNK Petroleum Inc.

BNK Petroleum Inc. is a US focused energy company focused on finding and exploiting large oil and gas reserves. The Company owns and operates a focused oil property concentrated in the Southern SCOOP play/Ardmore basin of Oklahoma. BNK continues to aggressively target growth in production and reserves through the application of new and proven technologies by its team of experts. The Company has corporate office in Camarillo, California and a registered office in Vancouver, Canada.

NON-GAAP MEASURES

Netback per barrel and netback including commodity contracts, net operating income and funds from operations (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 ("Mcf"). 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.

Readers are referred to the full description of the results of the Company's December 31, 2018 independent reserves evaluation and other oil and gas information contained in its Form 51-101F1 Statement of Reserves Data and Other Oil and Gas Information for the year ended December 31, 2018, which the Company filed on SEDAR on March 11, 2019.

Caution Regarding Forward-Looking Information

This release contains forward-looking information including estimates of reserves, the proposed timing and expected results of exploratory and development work including production from the Tishomingo Project, the future performance of wells including following shut-in's and restart of well(s), availability of funds from the Company's reserves based loan facility 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 Project, 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 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.