



BUTTE ENERGY INC.

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**TSXV ticker symbol:
BEN.H**

PRESS RELEASE

Butte Energy Inc. Announces Asset Disposal

June 30, 2017 – Calgary, Alberta: Butte Energy Inc. (the “**Corporation**”) (TSXV: “BEN.H”) announces it has entered into an agreement regarding the the sale of its Chigwell properties to RKSmith Energy Corp. for \$35,000 (the “**Transaction**”). The Transaction, if completed, will constitute the final disposition of all the Corporation’s remaining assets and no finders fees will be paid in respect of the Transaction. The closing of the Transaction is contingent upon customary closing conditions, including the Corporation obtaining the applicable regulatory approvals and approval by the Corporation’s shareholders of for the sale of all or substantially all of the assets of the Corporation.

The Corporation intends to proceed with the Transaction upon receipt of all required regulatory and shareholder approvals. The Corporation intends to use the proceeds from the Transaction for the settlement of obligations and after the payment of its liabilities the Corporation anticipates that there will be no residual for a distribution to shareholders. Upon receipt of the requisite approvals the Corporation plans to cease its operations, delist its common shares from the TSX Venture Exchange and wind itself up.

The Corporation is preparing a management information circular (the “**Circular**”) for provision to shareholders in respect of an annual and special meeting of shareholders (the “**Meeting**”) to seek approval for: (i) the Transaction; (ii) the wind up and dissolution of the Corporation; and (iii) annual meeting matters, including the election of the Board and the appointment of an auditor. It is currently anticipated that the Meeting will be held on August 1, 2017.

Information Regarding the Corporation

The Corporation was previously engaged in the exploration for and development and production of oil and natural gas reserves in Western Canada.

For further information please contact:

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Cautionary Statements

This news release includes certain statements that may be deemed "forward-looking statements" within the meaning of applicable Canadian securities legislation. Specifically, this news release includes, but is not limited to, forward-looking statements with respect to the Corporation completing the Transaction, distributions to shareholders, the Corporation’s winding up and the timing of the Meeting. Generally, forward-looking statements can be identified by the forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "projects", "intends", "anticipates", or

"does not anticipate", or "believes", or "variations of such words and phrases or state that certain actions, events or results "may", "can", "could", "would", "might", or "will" be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks associated with general economic conditions, adverse industry events, loss of markets, inability to require regulatory and shareholder approvals, timing of the Meeting, the liabilities of the Corporation, income tax and regulatory matters. Although the Corporation has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended. There can be no assurance that any forward-looking statements will prove accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Neither the TSX Venture Exchange, Inc. nor its Regulation Service Provider (as that term is defined under the policies of the TSX Venture Exchange) has neither approved nor disapproved of the contents of this press release.

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