BUTTE ENERGY INC.

BUTTE ENERGY INC. ANNOUNCES CLOSING OF SHARE TRANSFER, CONVERTIBLE LOAN AND DEBT PURCHASE AND SETTLEMENT, NEW BOARD AND MANAGEMENT

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA – January 4, 2018 - Butte Energy Inc. ("**Butte**" or the "**Company**") (TSXV: BEN.H) is pleased to announce further to its news release of December 4, 2017 that it has closed the transactions contemplated by the following arm's length agreements:

- a share purchase agreement (the "**Share Purchase Agreement**") with Victor Redekop ("**Redekop**"), Bill Baker ("**Baker**") and Stone's Throw Capital Corp. ("**Stone's Throw**") pursuant to which Redekop and Baker, as vendors, agreed to sell 30,000,000 common shares of the Company ("**Common Shares**") to Stone's Throw for aggregate consideration of $2.00;

- a convertible loan agreement (the "**Convertible Loan Agreement**") with Stone's Throw, pursuant to which the Company has borrowed the principal amount of $300,000 from Stone's Throw, which will bear interest at 10% per annum and is repayable on the date that is 12 months from the date of issuance. The principal amount and accrued interest will be convertible at the option of Stone's Throw into units of the Company ("**Units**") at a conversion price of $0.05 per Unit. Each Unit will consist of one Common Share and one Common Share purchase warrant (a "**Warrant**"). Each Warrant (substantially in the form attached as Schedule B to the Convertible Loan Agreement, the "**Warrant Certificate**") will entitle the holder to acquire one Common Share at an exercise price of $0.05 for a period of 12 months from the date they are issued; and

- a debt purchase and settlement agreement (the "**DPS Agreement**") with Redekop, Baker, Sand Hills Energy Inc. ("**Sand Hills**") and Stone's Throw pursuant to which: (i) Redekop, Baker and Sand Hills agreed to their indebtedness from the Company in the aggregate amount of $12,966,379.60 (the "**Purchased Debt**"); and (ii) the Company and Stone's Throw agreed to settle the Purchased Debt by the issuance to Stone's Throw of an aggregate of 259,327,592 Common Shares.

Without taking into account any securities which may be issuable upon the conversion of the convertible loan, on closing, Stone's Throw holds 289,327,592 of the 303,066,402 of the Common Shares issued and outstanding on closing, representing 95.4% of the issued and outstanding Common Shares, and is a control person of the Company. If the convertible loan was fully converted and all of the Warrants exercised, Stone's Throw would hold an additional 12,000,000 Common Shares, and so would hold 301,327,592 of the 315,066,402 Common Shares which would then be outstanding, or 95.6% of the Common Shares which would then be outstanding.

The securities of the Company were acquired by Stone's Throw for investment purposes. Prior to the closing of the foregoing transactions, Stone's Throw held no securities of the Company. Stone's Throw's address is L'Horizon, Gunsite Road, Brittons Hill St. Michael, Barbados, BB14027.

On closing of the transactions, Victor Redekop holds no Common Shares of the Company, and Bill Baker holds 4,103,922 or 1.4% of the Company's issued and outstanding Common Shares. Each of Mr. Redekop and Mr. Baker ceased to be an insider of the Company on closing.

On closing, Ron Tremblay, Lee Bowles and Daniel Vickerman were appointed to the Company's board of directors. Mr. Tremblay has been appointed President and Chief Executive Officer, and JoAnne Odette joins the Company as its Chief Financial Officer. The Company thanks the outgoing board and management of the Company for their contributions.

For further information please contact:

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