

NEWS RELEASE

BLACKBIRD ENERGY INC. ANNOUNCES TEST RESULTS FROM ITS 2-20-70-6W6 MIDDLE MONTNEY DELINEATION WELL AT ITS PIPESTONE/ELMWORTH MONTNEY PLAY

February 13, 2018 - Calgary, Alberta (TSX-V: BBI) Blackbird Energy Inc. (“**Blackbird**” or the “**Company**”) is pleased to announce test results from its 2-20-70-6W6 Middle Montney Delineation well, which is located on the Company’s Eastern Multi-Interval Delineation Block (the “**Eastern Block**”), and is more than five kilometers east of Blackbird’s previous operated development drilling.

“We are pleased to announce the successful testing of our 2-20-70-6W6 Middle Montney Delineation well at a short-term rate of 1,163 boe/d, including 824 bbls/d of condensate. This test represents our highest condensate rate from the Middle Montney to date, and we believe further confirms the multi-interval potential of Blackbird's lands, which are situated in what we consider to be one of the most liquids-rich corridors in the entire Montney fairway.” said Garth Braun, President, CEO and Chairman of Blackbird.

Highlights

- **Middle Montney Delineation Test:** Blackbird’s 2-20-70-6W6 Middle Montney Delineation well flowed at an average rate of 1,163 boe/d (73% liquids, condensate/gas ratio of 454 bbls/mmcf) over the final 72 hours of a 10-day production test.
- **Estimated Behind Pipe Volumes:** Subject to the tie-in of the 2-20-70-6W6 Middle Montney Delineation well, management estimates Blackbird’s current productive capacity from its 9 (9.0) operated wells south of the Wapiti River to be approximately 4,800 boe/d.
- **Advancing Multi-Interval Delineation:** Blackbird will begin testing its 3-27-71-7W6 Upper Montney Delineation well, which is approximately 14 kilometers north of previous development drilling, in mid-February.

Middle Montney Delineation Test

Blackbird is pleased to provide test results from its 2-20-70-6W6 Middle Montney Delineation well, which is located on the Company’s Eastern Block and is more than five kilometers east of Blackbird’s previous operated development drilling, as detailed below:

Well	Final 72 Hour Rate of 10 Day Production Test ⁽¹⁾⁽²⁾⁽³⁾					
	Condensate (bbl/d)	Natural Gas (mcf/d)	NGLs (bbl/d)	CGR ⁽⁴⁾ (bbls/mmcf)	Total (boe/d)	Lateral Length (meters)
2-20-70-6W6 (Middle Montney)	824	1,877	28	454	1,163	2,256

1) Numbers may not add due to rounding.

2) All disclosed production rates and volumes are presented net of any load fluid recovery. By the end of the 10-day production test period the well had recovered approximately 12% of load frac water.

3) All volumes are based on estimated sales production data.

4) Condensate/gas ratio (CGR) includes condensate and NGL production.

The Company cautions that short-term test rates are not necessarily indicative of long-term well or reservoir performance or of ultimate recovery. See "Short Term Test Rates" below.

The 2-20-70-6W6 Middle Montney Delineation well was drilled to a total depth of 4,885 meters with a lateral of 2,256 meters and completed over 36 intervals. The well was completed with a single perf cluster per frac utilizing Plug and Perf technology to simulate a pinpoint completion. Approximately 4,008 tonnes of sand was placed representing a completion intensity of approximately 1.8 tonnes per meter. The well was flowed up casing on clean-up for approximately 10 days. Over the final 72 hours of production testing, prior to running production tubing, the well flowed at an average rate of 1,163 boe/d (73% liquids, CGR of 454 bbls/mmcf). At the end of the test period the well had recovered approximately 12% of load frac water.

Estimated Behind Pipe Volumes

Including the 2-20-70-6W6 Middle Montney Delineation well, Blackbird has now drilled, completed and tied-in or tested a total of 9 (9.0 net) operated wells. Subject to the tie-in of the 2-20-70-6W6 well to the Company's 100% owned and operated Pipestone/Elmworth gas processing facility, management estimates the unrestricted flowing productive capacity of these wells to be approximately 4,800 boe/d based on the Company's own production test data. The Company cautions, however, that future production and reservoir performance cannot be predicted with certainty and may be less than estimated, and may also be subject to factors that restrict production to a level below an unrestricted flowing productive capacity. Blackbird is currently subject to a take-or-pay gas handling agreement for firm transportation and processing of sour natural gas that limits the Company to approximately 6.0 mmcf/d of natural gas and associated liquids.

Advancing Multi-Interval Delineation

Blackbird will begin testing its 3-27-71-7W6 Upper Montney Delineation well, which is approximately 14 kilometers north of previous development drilling, in mid-February. Test results are expected before the end of March, and will include reservoir pressure data as well as condensate-to-gas ratios. If successful, the Company believes that these results will support its view that the majority of Blackbird's Montney land is situated in the over-pressured liquids-rich corridor.

About Blackbird

Blackbird Energy Inc. is a highly innovative oil and gas exploration and development company focused on the condensate and liquids-rich Montney fairway at Pipestone/Elmworth, near Grande Prairie, Alberta.

For more information, please view our Corporate Presentation at www.blackbirdenergyinc.com or contact:

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Advisories

Forward-Looking Statements

This news release contains certain statements ("forward-looking statements") that constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future results or events, are based upon internal plans, intentions, expectations and beliefs, and are subject to risks and uncertainties that may cause actual results or events to differ materially from those indicated or suggested therein. All statements other than statements of current or historical fact constitute forward-looking statements. Forward-looking statements are typically, but not always, identified by words such as "anticipate", "continue", "estimate", "expect", "intend", "may", "will", "should", "believe", "plan", "objective", "potential" and similar or other expressions indicating or suggesting future results or events.

Forward-looking statements are not promises of future outcomes. There can be no assurance that the results or events indicated or suggested by the forward-looking statements, or the plans, intentions, expectations or beliefs contained therein or upon which they are based, are correct or will in fact occur or be realized (or if they do, what benefits the Company may derive therefrom).

In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to: the multi-interval potential of Blackbird's lands; the internally estimated unrestricted productive capacity of approximately 4800 boe/d from the Company's 9 (9.0 net) operated wells now tied-in or tested (subject to tie-in of the 2-20-70-6W6 Middle Montney Delineation well); expected timing for test results from the Company's 3-27-71-7W6 Upper Montney Delineation well; and anticipation that such test results will support Blackbird's views as to the prospectivity of its acreage.

With respect to the forward-looking statements contained in this news release, Blackbird has assessed material factors and made assumptions regarding, among other things: future commodity prices and currency exchange rates, including consistency of future oil, NGLs and natural gas prices with current commodity price forecasts; the Company's continued ability to obtain qualified staff and equipment in a timely and cost-efficient manner; infrastructure and facility design concepts that have been applied by the Company elsewhere in its Pipestone / Elmworth Project may be successfully applied to the properties; the predictability of future results based on past

and current experience; the predictability and consistency of the legislative and regulatory regime governing royalties, taxes, environmental matters and oil and gas operations, both provincially and federally; the Company's ability to market production of oil, NGLs and natural gas successfully to customers; the timing and success of drilling and completion activities (and the extent to which the results thereof meet expectations); the Company's future production levels and amount of future capital investment, and their consistency with the Company's current development plans and budget; future capital expenditure requirements and the sufficiency thereof to achieve the Company's objectives; the successful application of drilling and completion technology and processes; the applicability of new technologies for recovery and production of the Company's reserves and other resources, and their ability to improve capital and operational efficiencies in the future; the recoverability of the Company's reserves and other resources; the Company's ability to economically produce oil and gas from its properties and the timing and cost to do so; the performance of both new and existing wells; future cash flows from production; future sources of funding for the Company's capital program; the Company's future debt levels; geological and engineering estimates in respect of the Company's reserves and other resources; the accuracy of geological and geophysical data and the interpretation thereof; the geography of the areas in which the Company conducts exploration and development activities; the timely receipt of required regulatory approvals;; the access, economic, regulatory and physical limitations to which the Company may be subject from time to time; the impact of competition on the Company; and the Company's ability to obtain external financing when required and on acceptable terms.

The forward-looking statements contained herein reflect management's current views, but the assessments and assumptions upon which they are based may prove to be incorrect. Although Blackbird believes that its underlying assessments and assumptions are reasonable based on currently available information, undue reliance should not be placed on forward-looking statements, which are inherently uncertain, depend upon the accuracy of such assessments and assumptions, and are subject to known and unknown risks, uncertainties and other factors, both general and specific, many of which are beyond the Company's control, that that may cause actual results or events to differ materially from those indicated or suggested in the forward-looking information and statements. Such risks, uncertainties and other factors are discussed in the Company's current annual information form , annual and interim management's discussion and analysis, and other documents filed by it from time to time with securities regulatory authorities in Canada, copies of which are available electronically on SEDAR at www.sedar.com, and include, but are not limited to: volatility in market prices and demand for oil, NGLs and natural gas and hedging activities related thereto; general economic, business and industry conditions; variance of the Company's actual capital costs, operating costs and economic returns from those anticipated; the ability to find, develop or acquire additional reserves and the availability of the capital or financing necessary to do so on satisfactory terms; risks related to the exploration, development and production of oil and natural gas reserves and resources; negative public perception of oil and natural gas development and transportation, hydraulic fracturing and fossil fuels; actions by governmental authorities, including changes in government regulation, royalties and taxation; potential legislative and regulatory changes; the rescission, or amendment to the conditions of, groundwater licenses of the Company; management of the Company's growth; the ability to successfully identify and make attractive acquisitions, joint ventures or investments, or successfully integrate future acquisitions or businesses; the availability, cost or shortage of rigs, equipment, raw materials, supplies or qualified personnel; adoption or modification of climate change legislation by governments; the absence or loss of key employees; uncertainty associated with estimates of oil, NGLs and natural gas reserves and resources and the variance of such estimates from actual future production; dependence upon compressors, gathering lines, pipelines and other facilities, certain of which the Company does not control; the ability to satisfy obligations under the Company's firm commitment transportation arrangements; the uncertainties related to the Company's identified drilling locations; the high-risk nature of successfully stimulating well productivity and drilling for and producing oil, NGLs and natural gas; operating hazards and uninsured risks; the possibility that the Company's drilling activities may encounter sour gas; execution risks associated with the Company's business plan; failure to acquire or develop replacement reserves; the concentration of the Company's assets in the Pipestone / Elmworth Project area; unforeseen title defects; aboriginal claims; failure to accurately estimate abandonment and reclamation costs; development and exploratory drilling efforts and well operations may not be profitable or achieve

the targeted return; horizontal drilling and completion technique risks and failure of drilling results to meet expectations for reserves or production; limited intellectual property protection for operating practices and dependence on employees and contractors; third-party claims regarding the Company's right to use technology and equipment; expiry of certain leases for the undeveloped leasehold acreage in the near future; failure to realize the anticipated benefits of acquisitions or dispositions; failure of properties currently held or acquired in the future to produce as projected and inability to accurately determine reserve and resource potential, identify liabilities associated with acquired properties or obtain protection from sellers against such liabilities; changes in the application, interpretation and enforcement of applicable laws and regulations; restrictions on drilling intended to protect certain species of wildlife; potential conflicts of interests; actual results differing materially from management estimates and assumptions; seasonality of the Company's activities and the Canadian oil and gas industry; alternatives to and changing demand for petroleum products; extensive competition in the Company's industry; lower oil, NGLs and natural gas prices and higher costs; failure of 2D and 3D seismic data used by the Company to accurately identify the presence of oil and natural gas; risks relating to commodity price hedging instruments; terrorist attacks or armed conflict; cyber security risks, loss of information and computer systems; inability to dispose of non-strategic assets on attractive terms; security deposits required under provincial liability management programs; reassessment by taxing authorities of the Company's prior transactions and filings; variations in foreign exchange rates and interest rates; third-party credit risk including risk associated with counterparties in risk management activities related to commodity prices and foreign exchange rates; sufficiency of insurance policies; potential litigation; variation in future calculations of non-IFRS measures; sufficiency of internal controls; breach of agreements by counterparties and potential enforceability issues in contracts; impact of expansion into new activities on risk exposure; inability of the Company to respond quickly to competitive pressures; and the risks related to the common shares and warrants that are publicly traded. This list is not exhaustive.

The forward-looking statements contained in this news release are made as of the date hereof and Blackbird assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. All forward-looking statements herein are expressly qualified by this advisory.

Short Term Test Rates

The Company cautions that short-term test rates are not necessarily indicative of long-term well or reservoir performance or of ultimate recovery. Such rates are preliminary in nature and may not be representative of stabilized on-stream production rates. Actual results will differ from those realized during a short term measurement period, and the difference may be material. Production over a longer period will also experience natural decline rates, which can be high in the Montney play. Short-term test rates cannot be relied upon as providing assurance of longer term production.

Oil and Gas Measures

This news release discloses certain production information on a barrels of oil equivalent ("boe") basis with natural gas converted to barrels of oil equivalent using a conversion factor of six thousand cubic feet of gas to one barrel of oil (6:1). Condensate and other NGLs are converted to boes at a ratio of 1 bbl:1 bbl. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based roughly on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the Company's sales point. Although the 6:1 conversion ratio is an industry accepted norm, it is not reflective of price or market value differentials between product types. Based on current commodity prices, the value ratio between crude oil and natural gas is significantly different from the 6:1 energy equivalency ratio. Accordingly, using a conversion ratio of 6 mcf:1 bbl may be misleading as an indication of value.

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