



# BLACKBIRD

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## NEWS RELEASE

### **BLACKBIRD ENERGY INC. ANNOUNCES 522% INCREASE IN ELMWORTH MONTNEY PROVED PLUS PROBABLE RESERVES VOLUMES AND REPORTS RESULTS FROM ITS ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**March 8, 2016 - Calgary, Alberta (TSX-V: BBI)** Blackbird Energy Inc. (“**Blackbird**” or the “**Company**”) is pleased to announce a 522% increase in proved plus probable reserves volumes. Blackbird’s reserves as at January 31, 2016 were evaluated by the Company’s independent reserves evaluators, GLJ Petroleum Consultants (“**GLJ**”).

Highlights of Blackbird’s January 31, 2016 reserves evaluation compared to Blackbird’s July 31, 2015 reserves evaluation are as follows:

- Total proved plus probable reserves increased **522%** to **6,484 MBOE** (37% natural gas liquids (“**NGLs**”)).
- Total proved plus probable reserves net present value increased **120%** to **\$38.5 million** before tax using forecast prices and costs, discounted at 10%. This significant increase in NPV10% is despite a material reduction in GLJ’s January 1, 2016 price forecast compared to their July 1, 2015 forecast.
- Total proved reserves increased **313%** to **3,021 MBOE** (38% NGLs).

All reserve volumes are reported on a company gross reserves basis. The GLJ reserves evaluation used GLJ’s January 1, 2016 price forecast.

### **Reserves Summary**

The following table summarizes the Company's gross reserves, by category, and the net present value of the future net revenue before income taxes, discounted at 10%. The reserves and net present value data set forth below is based upon the January 31, 2016 GLJ reserves evaluation.

	<b>Natural Gas</b>	<b>Natural Gas Liquids <sup>(1)</sup></b>	<b>Total Oil Equivalent</b>	<b>NPV 10%</b>	<b>NPV 10%</b>
Reserves Category	<b>Mmcf</b>	<b>Mbbls</b>	<b>MBOE</b>	<b>\$000s</b>	<b>\$/BOE</b>
Total Proved	11,281	1,141	3,021	13,879	4.59
Total Probable	13,308	1,245	3,463	24,654	7.12
Total Proved Plus Probable	24,589	2,386	6,484	38,533	5.94

Notes:

- (1) Includes field condensate.

## **2-20-070-7W6 (“2-20”) Well Cost Update**

Blackbird incurred drilling and completions costs of approximately \$9.9 million on the 2-20 Middle Montney well, excluding testing and other post-completion costs. Based on the 2-20 well’s proved plus probable reserves volumes of 1,089,300 boe, as assigned in the GLJ January 31, 2016 evaluation, this represents finding and development costs of \$9.09/boe.

Under a development scenario, Blackbird estimates that drilling, completions, equipping and tie-in costs will total approximately \$7.25 million per location, which is analogous with the costs achieved by other Elmworth Montney producers. With drilling, completions, equipping and tie-in costs of \$7.25 million, finding and development costs decrease to \$6.65/boe on a proved plus probable reserves basis.

## **Annual and Special Meeting of Shareholders of the Corporation**

Blackbird's Annual and Special Meeting of Shareholders of the Corporation was held on March 7, 2016 in Calgary, Alberta. Blackbird’s shareholders elected Mr. Garth Braun, Mr. William L. Macdonald, Mr. Ron Schmitz, Mr. Kevin Andrus, Mr. Sean Campbell and Mr. Burton Ahrens as directors of the Company.

Blackbird’s shareholders also approved the renewal of the stock option plan of the Company and the appointment of Davidson & Company LLP, Chartered Accountants, as auditors of the Company to hold office until the next annual meeting of the shareholders.

### **About Blackbird**

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

For more information please view our Corporate Presentation at [www.blackbirdenergyinc.com](http://www.blackbirdenergyinc.com) or contact:

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## **Advisories and Forward Looking Information**

*This press release contains forward-looking statements or information (collectively referred to herein as "forward-looking statements"). Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements and are not guarantees of future performance of the Company. Statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future. Statements relating to "costs" and "finding and development costs" are also deemed to be forward-looking statements, as they involve estimates and assumptions related to the cost of drilling, completions, equipping, and tie-in of future locations/wells, in conjunction with forward-looking statements regarding the Company's reserves.*

*No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic and business conditions in North America and internationally, (2) the inherent uncertainties and speculative nature associated with oil and gas exploration, development and production including drilling and completion risks, (3) the price of and demand for oil and gas and their effect on the economics of oil and gas exploration, (4) any number of events or causes which may delay or cease exploration and development of the Company's property interests, such as environmental liabilities, weather, mechanical failures, safety concerns and labour problems, (5) the risk that the Company does not execute its business plan, (6) inability to retain key employees, (7) inability to finance operations and growth, and (8) other factors beyond the Company's control. Should one or more of these risks or uncertainties materialize, or should any of the Company's assumptions prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements. Readers are cautioned that the foregoing list of risks, uncertainties and other factors is not exhaustive. Unpredictable or unknown factors not discussed could also have material adverse effects on forward-looking statements. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent on other factors, and the Company's course of action would depend on its assessment of the future considering all information then available. All forward-looking statements in this press release are expressly qualified in their entirety by these cautionary statements. Except as required by law, the Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.*

### **Oil and Gas Advisory**

*The reserves information contained in this press release has been prepared in accordance with Canadian Oil and Gas Evaluation Handbook and represents only a portion of the disclosure required under NI 51-101. Complete NI 51-101 reserves disclosure will be included in the Company's filings for the year ended July 31, 2016 required in accordance with NI 51-101, which are expected to be filed in late November 2016. Listed below are cautionary statements applicable to our reserves information:*

- a) There are numerous uncertainties inherent in estimating quantities of crude oil, natural gas and NGL reserves and the future cash flows attributed to such reserves. The reserve and associated cash flow information set forth above are estimates only. In general, estimates of economically recoverable crude oil, natural gas and NGL reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially. For those reasons, estimates of the economically recoverable crude oil, NGL and natural gas reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times, may vary. The Company's actual production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material.*
- b) Individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation.*
- c) This press release contains estimates of the net present value of our future net revenue from our reserves. Such amounts do not represent the fair market value of our reserves.*
- d) Reserves included herein are stated on a Company gross reserves basis. Company Gross reserves are defined as the working interest share of reserves prior to the deduction of interest owned by others (burdens). "Company gross reserves" is not a term defined by NI 51-101 and as such the estimates of Company gross reserves herein may not be*

*comparable to estimates of "gross" reserves prepared in accordance with NI 51-101 or to other issuers' estimates of "Company gross" reserves.*

- e) The recovery and reserve estimates of our reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.*

*Oil Equivalency Conversion (BOE)*

*Where amounts are expressed on a barrel of oil equivalent ("BOE") basis, natural gas volumes have been converted to BOE at a ratio of 6,000 cubic feet of natural gas to one barrel of oil equivalent (6 Mcf = 1 BOE). The conversion ratio is based upon an energy equivalent conversion method, primarily applicable at the burner tip and does not represent value equivalence at the wellhead. BOE values may be misleading, particularly if used in isolation.*

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