

BLACKPEARL RESOURCES INC.

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NEWS RELEASE

March 31, 2014

BLACKPEARL ENTERS INTO CONSTRUCTION CONTRACT FOR THE CENTRAL PROCESSING FACILITIES AT ITS ONION LAKE THERMAL PROJECT

CALGARY, ALBERTA - BlackPearl Resources Inc. (“BlackPearl” or the “Company”) (TSX:PXX) (NASDAQ OMX Stockholm:PXXS) is pleased to announce that it has entered into a lump sum contract with Propak Systems Ltd (Propak) for the engineering, procurement and fabrication of the central processing facilities for the Company’s Onion Lake thermal project. Propak has successfully constructed and installed processing facilities for three similar thermal projects in Saskatchewan which are currently producing over 20,000 barrels of oil per day.

The first phase of the Onion Lake thermal project will have design capacity for production of 6,000 barrels of oil per day. The full scope of the project entails construction of central processing facilities for steam generation, water handling and oil treating, drilling injection and producer wells, drilling water source and disposal wells, as well as installation of water, steam and emulsion pipeline infrastructure. Our total cost estimate for this phase of the project is approximately \$200 million. We anticipate construction will take 12 to 15 months and steam injection will begin in the third quarter of 2015.

John Festival, President and CEO of BlackPearl, indicated that “Developing our thermal assets was a cornerstone element of our strategy in creating shareholder value. The recent equity financings together with our credit facilities has provided us with the funds to fully finance development of the first phase of our Onion Lake thermal assets and we are beginning to ramp-up construction to ensure we can begin steam injection in 2015. We are pleased to be partnering with Propak for the construction of our thermal facilities at Onion Lake. Propak operates one of the largest engineering and fabrication businesses in Canada and has demonstrated its ability to construct thermal processing facilities for the heavy oil industry and the lump sum contract provides us with cost certainty for a significant portion of the capital costs on the project.”

In addition, in accordance with the Swedish Financial Instruments Trading Act, BlackPearl also wishes to announce that as a result of the exercise of employee stock options and the completion of the public share offering, as at March 31, 2014, the Company has 328,398,308 common shares issued and outstanding with voting rights.

Forward-Looking Statements

Certain of the statements made and information contained herein is forward-looking statements and forward looking information (collectively referred to as "forward-looking statements") within the meaning of Canadian securities laws, including the design capacity of the first phase of the Onion Lake thermal project, estimated costs of the project and the funding for the project, estimated construction time for the project and the anticipated timing of initial steam injection. All statements other than statements of

historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "continuous", "estimate", "expect", "may", "will", "project", "should", "predict", "targeting", "seek", "intend", "could", "potential" or similar words. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. There can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will in fact be realized. Actual results will differ, and the difference may be material and adverse to the Company and its shareholders.

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