BLACKPEARL RESOURCES INC.

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NEWS RELEASE JUNE 30, 2017

BLACKPEARL ANNOUNCES \$75 MILLION SENIOR SECURED SECOND LIEN NOTE FINANCING AND AMENDMENTS TO EXISTING CREDIT FACILITIES

CALGARY, ALBERTA - BlackPearl Resources Inc. ("BlackPearl" or the "Company") (TSX:PXX) (NASDAQ OMX Stockholm:PXXS) is pleased to announce that it has issued \$75 million aggregate principal amount of senior secured second lien notes ("Notes") to Prudential Capital Group. The Notes were issued at par and bear interest at 8.00% per year, payable quarterly in arrears, and mature on June 30, 2020. The Notes were issued by way of a private placement and pursuant to a note purchase agreement.

Proceeds from the issuance of the Notes will initially be used to repay amounts outstanding under our existing credit facilities, fund the construction of the expansion of our Onion Lake thermal project and for general corporate purposes.

In conjunction with the issuance of the Notes, the Company also amended its existing credit facilities with its banking syndicate. The amendments include an increase in the borrowing base amount from \$117.5 million to \$120 million. The lenders previously agreed to extend the revolving period to May 27, 2018, which may be extended in the future at the discretion of the lenders. If the revolving period is not extended, any balance owing on the facilities would be required to be repaid by May 27, 2019. The pricing grid used to calculate the interest rates charged on the loans and stand-by fees remain unchanged. The next borrowing base review is scheduled to occur by November 30, 2017.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any offer or sale of the Notes in any state, or jurisdiction in which such offer, solicitation or sale would be unlawful.

John Festival, president of BlackPearl, commented "We are pleased to put the final piece of the financing arrangements in place for our 6,000 barrel per day Phase 2 at Onion Lake. We are about 80% complete on the fabrication of the modules for the plant facilities and we have commenced drilling of the wells. We plan to start steam injection by mid-year 2018 with peak production of 6,000 barrels per day by mid-year 2019. Phase 1 was built for \$225 million and projected Phase 2 costs are \$185 million. Phase 1 continues to perform at or above name-plate capacity and because it operates with low royalties, operating costs and sustaining capital, our Onion thermal project is in the top decile of North American oil opportunities. Once Phase 2 is at peak production, we plan to have paid down our debt and will look to start our next phase of thermal production growth."

Forward-looking Statements

This release contains certain forward-looking statements and forward-looking information (collectively referred to as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of historic fact are forward-looking statements. Forward-looking statements are typically identified by such words as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "potential", "targeting", "intend", "could", "might", "should", "believe" or similar words suggesting future events or future performance.

In particular, this release contains forward-looking statements pertaining to the planned use of proceeds from the issuance of the Notes, estimated timing for steam injection and peak production from Phase 2 of our thermal project at Onion Lake and the estimated capital costs of \$185 million for Phase 2.

The forward-looking information is based on, among other things, expectations and assumptions by management regarding general economic and financial market conditions, and timing and scheduling of its capital expenditures. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their nature, forward-looking statements involve numerous known and unknown risks and uncertainties that contribute to the possibility that actual results will differ from those anticipated in the forward-looking statements. Further information regarding these risk factors may be found under "Risk Factors" in the Annual Information Form, which can be accessed on SEDAR at www.sedar.com.

Undue reliance should not be placed on these forward-looking statements. There can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will be realized. Actual results will differ, and the differences may be material and adverse to the Company and its shareholders. Furthermore, the forward-looking statements contained in this release are made as of the date hereof, and the Company does not undertake any obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

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This is information that BlackPearl Resources Inc. is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication at 9:30 a.m. Mountain Time on June 30, 2017.