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NEWS RELEASE

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BLACKPEARL ANNOUNCES 2013 YEAR-END RESERVES AND CONTINGENT RESOURCE ESTIMATES AND PROVIDES PRODUCTION UPDATE

CALGARY, ALBERTA – BlackPearl Resources Inc. ("BlackPearl" or the "Company") (TSX:PXX) (NASDAQ OMX Stockholm:PXXS) is pleased to announce the results of its 2013 year-end oil and gas reserves evaluation, contingent resource evaluation and to provide an operations update on the Company's current activities.

Highlights include:

- 302% increase in proved reserves to 64 million barrels of oil equivalent; the increase was primarily attributable to the initial recognition of reserves for the Onion Lake thermal project once regulatory development approval was obtained;
- 36% increase in total proved and probable reserves to 291 million barrels of oil equivalent;
- Increased the net present value, before tax, discounted at 10% ("NPV10"), of our proved reserves by 197% to \$733 million and increased the NPV10 of our proved plus probable reserves by 89% to \$2.2 billion;
- A total of 631 million barrels of contingent resources (best estimate) assigned to our 3 core properties with a NPV10 of \$2.1 billion;
- Our largest property is the Blackrod SAGD project with proved and probable reserves of 182 million barrels and best estimate contingent resources of 566 million barrels of oil, with potential production reaching 80,000 barrels of oil per day;
- Our Onion Lake thermal project was assigned proved reserves of 47 million barrels of oil and proved plus probable reserves of 80 million barrels, with peak production potential of 12,000 barrels of oil per day. An additional 28 million barrels of best estimate contingent resource was attributed to the Onion Lake thermal project;
- Achieved our 2013 production guidance for 2013 with Q4 2013 production of 10,454 boe/day, a 15% increase compared to Q4 2012; full year average production of 9,730 boe/day in 2013, a 4% increase from 2012.

John Festival commenting on the 2013 reserves evaluation indicated that "We are pleased to have met our year end production targets, but more important is the pattern of reserve recognition we have established over the past 3 years. This reserve recognition resulted from a deliberate plan of validating our core projects through delineation drilling, pilot results and regulatory approval. Mooney is now a successful commercial ASP flood and we look forward to our first phase of thermal development at Onion Lake.

The net present value (discounted at 10%, BT) Sproule assigned to our proved reserves represents \$2.44 per common share and on a proved plus probable basis the value represents \$7.30 per share. The value Sproule has

assigned to best estimate contingent resources represents an additional \$6.99 per share. We believe more of these values will be recognized as we proceed with development of our large thermal projects.”

Oil and Gas Reserves

The following tables summarize certain information contained in the independent reserves report prepared by Sproule Unconventional Limited (“Sproule”) as of December 31, 2013. The report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook (“COGE Handbook”) and National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities (“NI 51-101”). Additional reserve information as required under NI 51-101 will be included in the Company’s Annual Information Form which will be filed on SEDAR on or before March 31, 2014.

Summary of Oil and Gas Reserves

(Company interest, before royalties)	Heavy Oil	Bitumen	Total Crude Oil	Natural Gas	2013 Total	2012 Total
	(Mbbl)	(Mbbl)	(Mbbl)	(MMcf)	(MBoe)	(MBoe)
Proved developed producing	7,162	1,651	8,813	78	8,826	7,138
Proved developed non-producing	1,772	429	2,201	23	2,205	2,291
Proved undeveloped	52,789	0	52,789	52	52,798	6,456
Total proved	61,724	2,080	63,804	154	63,829	15,885
Probable	47,255	179,499	226,754	137	226,777	197,439
Total proved plus probable	108,979	181,579	290,558	291	290,606	213,324

Notes:

- (1) BOE’s may be misleading, particularly if used in isolation. In accordance with NI 51-101, a BOE conversion ratio of 6 Mcf: 1 barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.
- (2) Based on Sproule’s December 31, 2013 forecast prices
- (3) Columns may not add due to rounding

Net Present Value of Reserves

	0%	5%	10%	15%	20%
	(\$000)				
Before Tax					
Proved					
Developed producing	238,686	218,667	202,355	188,814	177,393
Developed non-producing	49,554	38,891	31,010	25,021	20,361
Undeveloped	1,712,866	896,156	499,793	286,730	161,424
Total proved	2,001,106	1,153,713	733,158	500,565	359,178
Probable	6,778,456	2,964,519	1,460,725	788,943	435,070
Total proved plus probable	8,779,562	4,118,232	2,193,883	1,279,507	794,249
After Tax					
Proved					
Developed producing	238,685	218,666	202,355	188,814	177,393
Developed non-producing	49,554	38,891	31,010	25,021	20,361
Undeveloped	1,324,267	696,268	387,724	219,111	118,059
Total proved	1,612,506	953,825	621,089	432,945	315,813
Probable	5,052,868	2,166,674	1,036,657	528,940	276,036
Total proved plus probable	6,665,374	3,120,499	1,657,747	961,885	591,849

Notes:

- (1) Based on Sproule's December 31, 2013 forecast prices
- (2) Columns may not add due to rounding

Estimated Future Development Capital

(\$ Millions)	Total Proved	Total Proved + Probable
2014	196.3	211.8
2015	80.1	100.3
2016	33.7	205.2
2017	35.9	118.9
2018	11.2	350.5
Remainder	370.2	1809.8
Total FDC undiscounted	727.4	2,796.5
Total FDC discounted at 10%	448.8	1,345.9

Reconciliation of Changes in Reserves

The following table summarizes the changes in the Company's share of oil and natural gas reserves (before royalties) from December 31, 2012 to December 31, 2013.

	Oil, Heavy Oil & Bitumen			Natural gas			BOE
	Proved	Probable	Total	Proved	Probable	Total	Total
	(Mbbbls)	(Mbbbls)	(Mbbbls)	(MMcf)	(MMcf)	(MMcf)	(Mboe)
Balance, Dec 31, 2012	15,846	197,438	213,284	234	2	236	213,324
Production	(3,464)	0	(3,464)	(524)	0	(524)	(3,551)
Extensions	4,327	1,846	6,174	18	40	58	6,183
Discoveries	0	0	0	0	0	0	0
Technical revisions	2,681	(3,855)	(1,174)	215	116	331	(1,119)
Improved recovery	44,740	31,396	76,136	0	0	0	76,136
Acquisitions	0	0	0	210	0	210	35
Dispositions	(345)	(76)	(421)	(10)	(11)	(21)	(424)
Economic factors	19	4	23	10	(10)	0	23
Balance, Dec 31, 2013	63,804	226,754	290,558	154	137	291	290,606

Notes:

- (1) BOE's may be misleading, particularly if used in isolation. In accordance with NI 51-101, a BOE conversion ratio of 6 Mcf: 1 barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.
- (2) Columns may not add due to rounding

The pricing assumptions used in the Sproule evaluation are summarized below.

Pricing Assumptions

Year	WTI Cushing 40° API (US\$/bbl)	Edmonton Par Price 40° API (CDN\$/bbl)	Western Canadian Select 20.5° API (CDN\$/bbl)	Alberta AECO-C Spot (CDN\$/MMBtu)	Inflation rate (%/yr)	Exchange rate (US\$/Cdn\$)
2014	94.65	92.64	77.81	4.00	1.5	0.940
2015	88.37	89.31	75.02	3.99	1.5	0.940
2016	84.25	89.63	75.29	4.00	1.5	0.940
2017	95.52	101.62	85.36	4.93	1.5	0.940
2018	96.96	103.14	86.64	5.01	1.5	0.940
2019	98.41	104.69	87.94	5.09	1.5	0.940
2020	99.89	106.26	89.26	5.18	1.5	0.940
2021	101.38	107.86	90.60	5.26	1.5	0.940
2022	102.91	109.47	91.96	5.35	1.5	0.940
2023	104.45	111.12	93.34	5.43	1.5	0.940
2024	106.02	112.78	94.74	5.52	1.5	0.940

Escalation rate of 1.5% thereafter

Notes:

- (1) The pricing assumptions were provided by Sproule Unconventional Limited
- (2) None of the Company's future production is subject to a fixed or contractually committed price.

Definitions:

- (a) "Proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
- (b) "Probable" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
- (c) "Developed" reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.
- (d) "Developed Producing" reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
- (e) "Developed Non-Producing" reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.
- (f) "Undeveloped" reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.
- (g) The Net Present Value (NPV) is based on Sproule Forecast Pricing and costs. The estimated NPV does not necessarily represent the fair market value of our reserves. There is no assurance that forecast prices and costs assumed in the Sproule evaluations will be attained, and variances could be material.

Contingent Resources

The following table summarizes certain information contained in the contingent resource evaluations prepared by Sproule as of December 31, 2013. The reports were independently prepared in accordance with definitions, standards and procedures contained in the COGE Handbook.

It should not be assumed that the estimates of recovery, production, and net revenue presented in the tables below represent the fair market value of the Company's contingent resources. There is no assurance that the forecast prices and cost assumptions will be realized and variances could be material. The recovery and production estimates of the Company's contingent resources provided herein are only estimates and there is no guarantee that

the estimated contingent resources will be recovered or produced. Actual contingent resources may be greater than or less than the estimates provided here. There are certain contingencies which currently prevent the classification of these contingent resources as reserves. Information on these contingencies are provided in the footnotes to the tables below. There is no certainty that it will be commercially viable for the Company to produce any portion of the contingent resources on any of its properties.

Summary of Best Estimate (P50) Contingent Resource – By Property ⁽¹⁾⁽³⁾

Project	Gross ⁽²⁾ Heavy Oil/Bitumen	Net Present Values of <u>Before Tax</u> Future Net Revenue as of December 31, 2013 Contingent Resources – Best Estimate Discounted at				
		0%	5%	10%	15%	20%
	(MMboe)	(\$million)				
Blackrod	566,141	15,178,455	4,571,360	1,500,195	486,579	120,741
Onion Lake	29,815	1,198,290	565,584	289,947	158,736	91,285
Mooney	34,726	898,410	510,646	311,009	200,037	134,295
Total	630,682	17,275,155	5,647,590	2,101,151	845,352	346,321

Notes:

- (1) These volumes are arithmetic sums of multiple estimates of contingent resources, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of resources and appreciate the differing probabilities of recovery associated with each class as explained.
- (2) Contingent Resources are defined in the COGE Handbook as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters or a lack of markets. It is also appropriate to classify as Contingent Resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage.
- (3) There are three categories in evaluating contingent resources: Low Estimate, Best Estimate and High Estimate. Best estimate (P50) is a classification of estimated resources described in the COGE Handbook as being considered to be the best estimate of the quantity that will be actually recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the best estimate.
- (4) The estimates of contingent resources (best estimate) and future net revenue for individual properties may not reflect the same confidence levels as estimates of contingent resources (best estimate) and future net revenues for all properties, due to the effects of aggregation.
- (5) “Gross” means the Company’s working interest share in the contingent resources of bitumen and heavy oil before deducting royalties. The Company has a 100% working interest at Blackrod and Mooney, and a 79.795 to 100% working interest at Onion Lake.
- (6) The amounts included in these tables do not include the volume and value of BlackPearl’s proved and probable reserves previously assigned by Sproule to these properties.
- (7) The contingencies in the Sproule Report associated with the Company’s Blackrod contingent resources are due to the following: (a)the requirement for more evaluation drilling, as required by the regulatory process, to define the reservoir characteristics to assist in the implementation and operation of the SAGD process (b)the absence of submission of an application to expand the commercial SAGD development; and (c)the uncertainty of timing of production and development.
- (8) The contingencies in the Sproule Report associated with the Company’s Onion Lake contingent resources are due to the following: (a)the absence of approval to extend the SAGD development area (b)the requirement for more evaluation drilling to define the reservoir characteristics of the resource to assist in the implementation and operation of the SAGD recovery process; (c)the uncertainty of company commitment for expansion of the commercial SAGD development; and (c)the uncertainty of timing of production and development.
- (9) The contingencies in the Sproule Report associated with the Company’s Mooney contingent resources are due to the following: (a) the requirement for more evaluation wells to further define reservoir and fluid characteristics (b)further establishment of increased production response from the Alkali Surfactant Polymer (ASP) flood in Phase One, which began July 2011; and (c) the uncertainty of timing of production and development of the entire field.

Production Update

BlackPearl's Q4 2013 oil and gas sales volumes were 10,454 boe per day, a 15% increase over Q4 2012 sales volumes and an 11% increase over Q3 2013 sales volumes. The increase in fourth quarter production is mainly attributable to additional primary development drilling at Onion Lake, as well as the Mooney field being brought back into full production after facility maintenance work undertaken in the third quarter. At Onion Lake we drilled 24 wells during the third quarter which began to contribute to production in the fourth quarter.

Production by Area (boe/d)	Three months ended		Year ended December 31	
	December 31	2012	2013	2012
Onion Lake	5,186	4,857	4,797	5,947
Mooney	3,837	3,329	3,685	2,537
John Lake	1,066	649	898	573
Other	103	11	114	37
Blackrod	262	221	236	272
Total production	10,454	9,067	9,730	9,366

Other

The Company is planning to release its 2013 year-end financial and operating results on February 27, 2014. At December 31, 2013, the Company had 300,424,808 common shares outstanding.

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. 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 addition, statements relating to "reserves" or "resources", "contingent resources" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resource described exist in the quantities predicted or estimated and can be profitably produced in the future. In particular, this document contains forward-looking statements pertaining to, the volumes and estimated value of BlackPearl's proved and probable reserves, the volumes and estimated value of BlackPearl's contingent resources, potential production levels for the Blackrod SAGD project and the Onion Lake thermal project, the net present value per common share of our proved reserves, proved plus probable reserves and contingent resources and the estimate for future development capital.

The forward-looking information is based on expectations and assumptions by management regarding future production levels, future oil and natural gas prices, continuation of existing tax, royalty and regulatory regimes, foreign exchange rates, estimates of future operating costs, timing and amount of capital expenditures, performance of existing and future wells, the ability to obtain financing on acceptable terms, availability of skilled labour and drilling and related equipment, general economic and financial market conditions and the ability to market oil and natural gas successfully to current and new customers. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Undue reliance should not be placed on 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.

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that the goals or figures contained in forward-looking statements will not be achieved. These factors include, but are not limited to, risks associated with fluctuations in market prices for crude oil, natural gas and diluent, general economic, market and business conditions, substantial capital requirements, uncertainties inherent in estimating quantities of reserves and resources, extent of, and cost of compliance with, government laws and regulations and the effect of changes in such laws and regulations from time to time, the need to obtain regulatory approvals on projects before development commences, environmental risks and hazards and the cost of compliance with environmental regulations, aboriginal claims, inherent risks and hazards with operations such as fire, explosion, blowouts, mechanical or pipe failure, cratering, oil spills, vandalism and other dangerous conditions, potential cost overruns, variations in foreign exchange rates, diluent supply shortages, competition for capital, equipment, new leases, pipeline capacity and skilled personnel, uncertainties inherent in the SAGD bitumen recovery process, credit risks associated with counterparties, the failure of the Company or the holder of licences, leases and permits to meet requirements of such licences, leases and permits, reliance on third parties for pipelines and other infrastructure, changes in royalty regimes, failure to accurately estimate abandonment and reclamation costs, inaccurate estimates and assumptions by management, effectiveness of internal controls, the potential lack of available drilling equipment and other restrictions, failure to obtain or keep key personnel, title deficiencies with the Company's assets, geo-political risks, risks that the Company does not have adequate insurance coverage, risk of litigation and risks arising from future acquisition activities. Further information regarding these risk factors may be found under "Risk Factors" in the Annual Information Form. Readers are cautioned that these factors and risks are difficult to predict and that the assumptions used in the preparation of such information, although considered reasonably accurate at the time of preparation, may prove to be incorrect. Readers are also cautioned that the foregoing list of factors is not exhaustive. Consequently, there is no representation by the Corporation that actual results achieved will be the same in whole or in part as those set out in the forward-looking information. Furthermore, the forward-looking statements contained in this report are made as of the date hereof, and the Corporation 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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