



BLACK SWAN ENERGY ANNOUNCES COMMISSIONING OF 100% OWNED & OPERATED PLANT

Calgary, Alberta, February 11, 2016 – Black Swan Energy Ltd. is pleased to announce the commissioning and start-up of the first of two phases at its new shallow cut gas processing facility in northeast British Columbia (NEBC).

Highlights of the c-38-C Aitken Creek Gas Plant include:

- Plant initiated Q1 2015, with civil construction underway by July 2015
- First gas to sales January 30, 2016
- Facility is 100% owned and operated by Black Swan
- Liquids yield including field condensate is expected to be 40 bbl/MMcf (>50% C5+)
- Production has increased to 12,000 boe/d including volumes processed through third party facilities
- Phase one capacity is 50 MMcf/d and will be completed with the addition of a third compressor in March bringing total volumes to approximately 15,000 boe/d, which Black Swan expects to hold flat through the remainder of 2016

David Maddison, President & CEO, commented that this plant represents a significant milestone for Black Swan. “After accumulating a material land position in NEBC and drilling sufficient appraisal wells to delineate our acreage and establish it as top tier, the start-up of this facility now moves us firmly into the development phase where we will focus on growing production at best-in-class metrics. It is an important step for us and I am very pleased with how the team executed the project.”

Future plans include a Phase 2 expansion of the plant, bringing the processing capacity up to 100 MMcf/d of liquids-rich gas. Black Swan is currently in the process of procuring long lead components required for the expansion. Processing capacity at the Aitken Creek Gas Plant is incremental to Black Swan’s existing 100% owned and operated 50 MMcf/d of compression, which supports volumes flowing to Spectra’s McMahon Gas Plant.

Black Swan has drilled 46 horizontal (Hz) Montney wells to date with 20 currently on-stream. Production through the new Aitken Creek Gas Plant is initially supplied by the company’s a-54-D/094-H-04 eight well pad, which was drilled and tested in 2015. As part of the 2016 capital program, Black Swan will tie-in wells from four additional multi-well pads to this facility. The plant site is optimally located near existing pipelines and road infrastructure on the southern portion of the company’s lands. The southern acreage will be the focus for initial development with the potential to grow to 500 MMcf/d over the next five years.

Black Swan has implemented a risk management program to support capital expenditures over the next three years. For 2016 the company has hedged 40% of forecast Montney production and management will continue to layer in positions as part of the ongoing effort to reduce cash flow volatility.

Black Swan holds firm egress on both the Spectra and Alliance pipelines, which supports the Aitken Creek Gas Plant and firm processing commitments at the McMahon Gas Plant. Egress commitments are structured to increase over time in advance of the Aitken Creek Gas Plant Phase 2 expansion. As of February 10, 2016 Black Swan's egress commitments are as follows:

Plant	Pipeline Route	Delivery Points	Firm Egress Commitment (MMcf/d)		
			2016	2017	2018
Aitken Creek	T-North	Station 2 or Sunset Creek	40.0	60.0	60.0
McMahon	T-North	Station 2 or Sunset Creek	11.0	4.0	24.0
McMahon	Alliance	Chicago	9.1	9.1	

As at December 31, 2015, Black Swan held over 217,000 net acres (310 net DSUs) of land in the liquids-rich Montney formation in NEBC, with an estimated 78 Tcf of OGIP and a risked inventory of over 2,800 potential Hz drilling locations. Since Q4 2014 the company has drilled and tested 17 upper Montney Hz wells on three multi-well pads, observing an average test rate in excess of 1,700 boe/d per well.

The company's lending syndicate completed an interim review in November and increased Black Swan's credit facility to \$130 MM from \$80 MM, which was undrawn at 2015 year end. Black Swan Energy is a private-equity backed exploration and production company headquartered in Calgary, Alberta. For additional details relating to production and development activities please refer to Black Swan's most recent corporate presentation which is available on the website.

FOR FURTHER INFORMATION PLEASE CONTACT:

David Maddison

President and Chief Executive Officer

or

Christine Ezinga

Manager, Strategy and Planning

Black Swan Energy Ltd.

Telephone: (403) 930-4400

Email: info@blackswanenergy.com

Website: www.blackswanenergy.com