



BLACK SWAN ENERGY ANNOUNCES LONG TERM EGRESS COMMITMENT & CORPORATE UPDATE

Calgary, Alberta, March 20, 2017 – Black Swan Energy is pleased to announce that it has entered into a long term commitment with TransCanada Corporation, for 229 MMcf/d of service on the North Montney Mainline for transportation on the NGTL system, with an expected on-stream date in Q2 2019. This service relates to the recent announcement by TransCanada in which they confirmed they are seeking approval to proceed with the North Montney Mainline Project.

Black Swan has also secured 20 MMcf/d of Alliance capacity starting April 1, 2017, with volumes being delivered from Black Swan's North Aitken gas plant. Including the new contracts, in 2019 Black Swan will hold over 395 MMcf/d of long term egress, which provides capacity for ongoing development of the company's Northeast British Columbia (NEBC) Montney asset and enhances visibility of its long-term growth profile.

David Maddison, President & CEO, commented that securing this firm capacity represents a critical step forward as Black Swan continues to develop its liquids-rich gas play in the NEBC Montney. "Black Swan's asset continues to deliver highly economic results on a repeatable basis. With our owned processing and infrastructure supporting a low cost structure, establishing access to multiple markets ensures the ability to develop our asset base while creating value for our investors."

Corporate Update

Black Swan exited 2016 with December production averaging 16,650 boe/d. Performance at the newly commissioned North Aitken gas plant exceeded expectations with high uptime.

Capital spending for the year was \$95 million and included \$57 million of infrastructure spending related to the company's owned and operated processing plant and pipelines. During 2016, Black Swan drilled seven horizontal Montney wells bringing the total number of horizontal Montney wells drilled by the company at year-end to 52 (100% working interest).

In 2017, the company's capital program contemplates spending \$180 million, including \$85 million for drilling, completions and tie-in and \$90 million for infrastructure. The company plans to drill 19 horizontal wells and complete and tie-in 16 horizontal wells. Year-to-date Black Swan has drilled six horizontal wells and is currently commencing completion of the six well c-2-C pad at Nig.

Work is underway on the Phase 2 expansion of Black Swan's 100% owned and operated North Aitken gas plant, which will increase processing capacity from 50 MMcf/d currently up to 110 MMcf/d. Commissioning activities are scheduled to start in June and the company expects to exit 2017 with corporate production of 24,000 – 26,000 boe/d.

Black Swan continues to deploy an active hedging program to reduce cash flow volatility related to potential declines in commodity prices and to support capital expenditures over the next three years. The company currently holds AECO swaps and collars, Station 2 differential swaps and Chicago swaps covering 35% to 50% of forecast 2017 gas production.

The company's lending syndicate completed an interim review in November 2016 and increased Black Swan's credit facility to \$200 million. Subsequently, in January 2017, Black Swan placed US\$100 million of seven year Senior Secured Second Lien Notes with a group of funds sub-advised by GSO Capital Partners LP and advised by FS Investments. At current strip prices, the company's undrawn \$200 million credit facility, together with the proceeds from the Notes, will provide sufficient financial flexibility to fund the capital program.

As at December 31, 2016, Black Swan held approximately 218,000 net acres (312 net DSUs) of land in the liquids-rich Montney formation in NEBC, with a risked inventory of over 2,800 potential horizontal drilling locations. Results continue to be strong with the company delivering an average EUR of more than 9 Bcf (10.4 Bcfe) on the last 30 horizontal wells in the Upper Montney, with all wells now on production.

Black Swan Energy is a private-equity backed 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 at www.blackswanenergy.com.

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