CALGARY, ALBERTA--(Marketwired - May 18, 2017) - Blackbird Energy Inc. ("Blackbird" or the "Company") (TSX VENTURE:BBI) is pleased to provide an operations update regarding its previous completion programs, its planned fiscal 2017 / 2018 capital program at Pipestone and Stage Completions Inc.'s ("Stage") commercial roll-out, a company in which Blackbird owns a 10% minority interest.

Completions Update

In late 2016 and early 2017, Blackbird drilled and completed its 102/2-20, 3-28 and 2-20/11-9 Pipestone wells (the "Wells") using the Stage Bowhead II fracturing system (the "Stage System"). The 102/2-20 well began production and clean-up on February 4, 2017 and was shut-in due to a third-party plant closure on February 12, 2017. After being shut-in for approximately 29 days, the 102/2-20 well resumed production and clean-up on March 13, 2017. During this secondary period of clean-up and the production of natural gas and condensate, in late April, 2017 it was determined that the 102/2-20 well was not producing at levels consistent with management's expectation.

Thereafter, Blackbird performed a camera run within the wellbore in order to determine the reason for the 102/2-20 well's production level. After successful collet engagement and fracturing of the initial stages of the wellbore, the camera run indicated that erosion damage to the landing shoulder of the valve profile prevented proper collet engagement and full sleeve opening in the later stages of the wellbore.

Subsequent to the 102/2-20 analysis, Blackbird performed a similar camera run in its 3-28 well, which has not yet been tied-in or production tested. The results of this camera run confirmed similar metal fatigue, erosion, collet engagement and sleeve opening issues as in the 102/2-20 well.

With certain Stage System sleeves remaining in the closed position during pressure pumping operations Blackbird was unable to fracture the Montney reservoir across the entire lateral length of the wellbores.

A camera run has not yet been performed on the 2-20/11-9 well; however, management believes that this well also experienced similar issues as the 102/2-20 and 3-28 wells. The 2-20/11-9 well has not yet been tied-in or production tested.

Stage has advised Blackbird that the issues experienced in the 102/2-20 and 3-28 wells are isolated to the Generation 3 L80 114.3mm (4.5 inch) valve system. Further modeling by Stage has shown increased erosional effects on the sleeve at higher pump rates. Stage also advises that a recent frac stimulation performed by a third party, pumped at lower rates, has shown no erosional damage.

Based on the information obtained from Blackbird's wells, Stage has advised Blackbird that a revised internal sleeve has been engineered using an enhanced 8620 carburized material and tungsten reinforced valve profile. The Stage System with this 8620 carburized material has been successfully utilized by third parties in numerous formations in North America. The 8620 carburized material is significantly more durable compared to the existing L80 material used in the collets and sleeves deployed in the Wells. Stage and Blackbird expect that this increased durability will significantly reduce any erosion of key components of the profile and allow for positive collet engagement and the successful opening of the sleeves throughout future wellbores.

Blackbird has multiple options available to complete the unopened stages within the Wells. The large internal diameter of the Stage System provides the ability to both plug and perf or Abrasijet™ the unopened sleeves within the existing wellbores. The Company is currently establishing a budget for the completion of the unopened sleeves within the 102/2-20 and 3-28 wellbores. Blackbird plans to recomplete the Wells in a timely manner, with operations expected to commence in late June, 2017. Further examination will be conducted on the 2-20/11-9 well prior to conducting any further completion operations in its wellbore.

Blackbird has a unique relationship with Stage which has been developed through its 10% ownership of Stage, and through being an early adopter of the Stage System. As a result of this unique relationship, Blackbird and Stage are in discussions regarding a cost sharing arrangement for the completion costs of the unopened stages of the Wells. Regardless of this unique relationship Blackbird has with Stage, all decisions within Blackbird will be made in the best interest of its shareholders.

The Stage System is designed to increase expected ultimate recovery through high-tonnage and high-intensity completions, while at the same time reducing costs. As an early adopter, Blackbird has participated in the development and refinement of the Stage System. It is the Company's belief that it will achieve a competitive advantage through its continued use of the Stage System with the revised internal sleeve specifications.

Drilling Operations Update - Non-Operated Program

In April, 2017 Blackbird participated in the drilling of a non-operated 17.9% working interest well north of the Wapiti River at Pipestone. The well was spud from surface location 03-01-71-8W6 and drilled to a measured depth of approximately 5,350

meters, including a lateral of approximately 2,861 meters to a downhole location of 14-30 -70-7W6 (the "14-30 well"). This well penetrated two sections north of the Wapiti River which has been pooled with another operator. The 14-30 well was drilled into the Upper Montney with the primary objectives of land retention and further delineation north of the Wapiti River.

The Company is also participating in the drilling and completion operations of two non-operated Middle Montney wells on its recently acquired south-eastern acreage. The first non-operated 37.5% working interest south-eastern well will be spud from surface location 04-02-70-6W6. The well is expected to be drilled to a measured depth of approximately 5,600 meters, including a lateral of approximately 3,100 meters to a downhole location of 13-04-70-6W6 (the "13-04 well").

The second non-operated 20% working interest south-eastern well will be spud from surface location 13-03-70-5W6. The well is expected to be drilled to a measured depth of approximately 5,500 meters, including a lateral of approximately 3,000 meters to a downhole location of 3-17-70-5W6 (the "3-17 well").

The 13-04 and 3-17 wells are expected to be drilled over the next six months, with the primary objectives of land retention and the continued delineation the Company's eastern acreage.

Drilling Operations Update - Operated Program

Blackbird is in the final stages of preparing its capital budget for the remainder of fiscal 2017 and fiscal 2018. On a preliminary basis, in addition to the non-operated wells discussed above, Blackbird is expecting to drill and complete an additional eight operated development wells on Blackbird's western acreage and three operated delineation wells on Blackbird's eastern acreage.

The first two wells of this program are expected to be drilled on Blackbird's western acreage from its existing 14-14 pad. The first well, targeting the Upper Montney, is expected to be drilled to a measured depth of approximately 4,800 meters, including a lateral of approximately 2,100 meters to downhole location 02/6-26-70-7W6 (the "02/6-26").

The second well, also targeting the Upper Montney, is expected to be drilled to a measured depth of approximately 4,800 meters, including a lateral of approximately 2,100 meters to downhole location 8-27-70-7W6 (the "8-27 well").

The 02/6-26 and 8-27 wells are expected to be drilled in June / July 2017.

Stage Completions Growth Continues Across Multiple Basins

Over the past couple months, the roll-out of the Stage System has accelerated. Sean Campbell, Director of Blackbird and Chief Executive Officer of Stage stated: "Since introduction of the Bowhead II Fracturing System, approximately 850 sleeves and collets have been successfully deployed in Canada, the continental United States and internationally. The issues experienced in the Blackbird wells are isolated to the Generation 3 4.5" system. Since the beginning of May, 2017, Stage has received orders for an additional 1,881 sleeves and collets of the Generation 4 system, confirming the full commercial roll-out by industry leading companies in the Montney, Marcellus, Eagle Ford, Bakken, Scoop / Stack, and Permian. Stage has also experienced market penetration internationally through orders from large state owned oil companies in the Middle East and China. Stage expects to see an additional 15 industry leading companies adopt Stage's technology over the coming months."

About Blackbird

Blackbird Energy Inc. is a highly innovative oil and gas exploration and development company focused on the condensate and liquids-rich Montney fairway at Pipestone, near Grande Prairie, Alberta.

For more information, please view our Corporate Presentation at www.blackbirdenergyinc.com.

*Advisories and Forward-Looking Information*

*This press release contains forward-looking statements or information (collectively referred to herein as "forward-looking statements"). Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements and are not guarantees of future performance of the Company. Such forward-looking statements include but are not limited to: the issues experienced in the 102/2-20 and 3-28 wells being isolated to the L80 114.3mm (4.5 inch) valve system, the increased durability of the system designed with carburized 8620 material and its ability to reduce erosional issues and allow for positive collet engagement and the successful opening of the sleeves throughout future wellbores, the ability for Blackbird to complete the unopened sleeves, the completion of the unopened sleeves in a timely manner, the further examination of the 2-20/11-9 well, the expected increase in expected ultimate recovery through high-tonnage and high-intensity completions, the potential competitive advantages of the Stage System and*

*any competitive advantage derived by Blackbird from the use thereof, all future planned drilling operations and well specifications, the potential benefits of land retention and delineation of Blackbird's resource, the number of wells to be drilled in Blackbird's future capital programs and all estimates regarding Stage's past or future collet and sleeve deployments. See disclaimer below related to information contained herein provided by Stage.*

*No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates, and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic and business conditions in North America and internationally, (2) the inherent uncertainties and speculative nature associated with oil and gas exploration, development and production including drilling and completion risks, (3) the price of and demand for oil and gas and their effect on the economics of oil and gas exploration, (4) any number of events or causes which may delay or cease exploration and development of the Company's property interests, such as environmental liabilities, weather, mechanical failures, safety concerns and labour problems, (5) the risk that the Company does not execute its business plan, (6) inability to retain key employees, (7) inability to finance operations and growth, and (8) other factors beyond the Company's control. Should one or more of these risks or uncertainties materialize, or should any of the Company's assumptions prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements. Readers are cautioned that the foregoing list of risks, uncertainties, and other factors is not exhaustive. Unpredictable or unknown factors not discussed could also have material adverse effects on forward-looking statements. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent on other factors, and the Company's course of action would depend on its assessment of the future considering all information then available. All forward-looking statements in this press release are expressly qualified in their entirety by these cautionary statements. Except as required by law, the Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.*

*Statements and information contained in this News Release relating to Stage and the Stage System, other than those pertaining to the deployment of the Stage System by Blackbird, have been furnished by Stage and Blackbird has relied upon Stage for the accuracy of such information and has not verified or confirmed the veracity of such information. Although Blackbird has no knowledge that would indicate that any statements contained herein concerning Stage or the Stage System are untrue or incomplete, neither Blackbird nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such statements and information.*

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