



Black Spruce Exploration Will Become Largest Oil & Gas Land Owner in Western Newfoundland

St. John's, Newfoundland & Labrador – June 11, 2013 – Black Spruce Exploration Corp (“BSE”) is furthering its commitment to Western Newfoundland by announcing that it has signed a letter of intent with Deer Lake Oil & Gas Inc. (“DLOG”). BSE will enter into a Share Exchange Agreement to acquire all of the outstanding shares of DLOG. Once the transaction with DLOG has been completed, BSE will add approximately 159,188 acres.

Today's announcement comes on the heels of BSE signing an agreement with Ptarmigan Energy Inc. (Ptarmigan) to acquire 1,225,551 acres offshore Western Newfoundland. BSE also signed a Farmin agreement in January 2013 with Shoal Point Energy Ltd. to earn a 60% working interest in the land holdings upon completion of the two-phase Farmin agreement. As a result of today's announcement, BSE land holdings are now approximately 1,878,613 acres.

A Farmin Agreement in the oil and gas industry allows separate companies to develop oil and gas resources, whereby one company relies upon the technical expertise of another company. The management team and directors of BSE have considerable industry experience and expertise in the development of shale oil and gas resources, bringing this operating experience to Western Newfoundland for the first time; as well as the necessary operating equipment to further supplement the operational requirements.

In this transaction BSE will exchange one million shares of BSE for all of the DLOG shares, plus one million warrants of BSE exercisable for \$1.10 USD on or before December 31, 2013. This letter of intent will be superseded by a more definitive agreement, which will outline with greater specificity the various terms, conditions and structure of the transaction.

David Murray, president & CEO for BSE remarked, “By acquiring the shares of Deer Lake, Black Spruce is demonstrating its strong commitment to participate in and enhance the oil and gas industry on the west coast of Newfoundland.”

This transaction also meets with the approval of DLOG. Dr. James Edwards, chairman of Deer Lake Oil and Gas, Inc., commented, “By partnering with Black Spruce Exploration, Deer Lake Oil & Gas will see the development of its oil and gas assets and allow its shareholders to be a part of a larger corporation.”

The principal shareholders of DLOG, representing approximately 46%, agree to vote in favour of and to otherwise support the Share Exchange Agreement.

All components of the Share Exchange Agreement shall be subject to tax, legal, securities laws and regulatory requirements. The obligations of both parties to execute the Share Exchange Agreement shall be conditional upon the parties obtaining the approval of the Shareholders of DLOG. A DLOG shareholders' meeting will be held within 90 days from today's date. The Share Exchange Transaction is subject to customary due diligence requirements. The transaction will be governed by a definitive Share

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Exchange Agreement between the parties, which has a target closing date of July 31, 2013, or such other date as the parties shall determine. BSE and DLOG have entered into an exclusivity agreement until July 31, 2013.

For more information on Black Spruce Exploration, please visit www.blspexp.com or contact...

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About Black Spruce Exploration Corp.

Black Spruce Exploration, with offices in Calgary, Alberta, St. John's and Corner Brook, Newfoundland, is an exploration and production company with property rights, licenses and interests in the province of Newfoundland.

About Deer Lake Oil & Gas Inc.

Deer Lake Oil & Gas Inc. is a St. John's, Newfoundland-based oil and gas exploration company active in Western Newfoundland. For further details, visit www.deerlakeoilandgas.com or contact (709) 579-5050.

Forwarding looking information: Certain information set forth in this document, including management assessment of future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond our control. Those risks include, without limitation, the effect of general economic conditions, risks associated with oil and gas exploration, development, production, marketing and transportation, loss of markets, industry conditions and competition, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the ability to access qualified personnel and oilfield services, decisions by regulators, and the ability to access sufficient capital from internal and external sources. Readers are cautioned not to place undue reliance on the forward-looking statements as the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and actual results, performance or achievements could materially differ from those expressed or implied in such forward-looking statements and accordingly, no assurance can be given that any of the events anticipated by forward looking statements will transpire or occur, or if any of them do so, what benefit Strategic will derive there from. The Company does not assume the obligation to revise or update this forward-looking information after the date of this release or to revise such information to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.