



Black Spruce Exploration Corp. Reaches Over 2.3 Million Acres in Western Newfoundland

St. John's, Newfoundland & Labrador – June 12, 2013 – Black Spruce Exploration Corp (“BSE”), as a further demonstration of its commitment to Western Newfoundland, announces that it has signed a letter of intent (LOI) on the basis of a Farmin Agreement with Enegi Oil Plc (“Enegi”) for a multi-well program in Western Newfoundland.

Once the transaction with Enegi is completed, BSE will add producing oil and gas assets, and approximately 470,000 acres in Western Newfoundland. The Enegi transaction, in combination with the other recent agreements with Deer Lake Oil and Gas Inc. and Ptarmigan Energy Inc., means that BSE will have total acreage of approximately 2.3 million acres, the largest single collection of oil and gas acreage in western Newfoundland.

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.

“We believe that Western Newfoundland is a highly prospective region and offers great potential,” remarked David Murray, president & CEO for BSE. “We are delighted to be partnering with Enegi whose expertise and knowledge of the region will be invaluable as we look to successfully develop these conventional assets.”

Alan Minty, CEO of Enegi, expressed similar sentiments.

“We are very pleased to sign this deal with Black Spruce. This multi-well program accelerates the development of the region and provides the opportunity to unlock the full potential, which we have always believed is inherent, of our Newfoundland assets. While we continue to maintain a strong presence and have invested considerable sums in the region, given the frontier nature of the area, we have always recognised that it requires strong collaboration with other operators, as well as service providers, to ensure the successful development of these projects.”

Based on this announcement with Enegi, BSE has assembled a substantial group of assets in Western Newfoundland and is pleased with the overall progress it is making. This agreement includes the following:

Highlights:

- LOI secures a multi-well program to accelerate development of Company's Newfoundland assets;

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- Enegi and BSE intend to enter into a definitive Farm-in Agreement (“the Farm-In”) by 12 July 2013;
- BSE will be able to earn a maximum working interest of 60% by paying 100% of the costs of drilling and completing a maximum of 12 wells on the Company’s Newfoundland assets (as outlined below);
- The Farm-In will be completed in two phases:
 - **Phase 1:** BSE will be required to drill three appraisal and development wells, and two exploration wells. The three appraisal and development wells will consist of two wells on PL2002-01(A) and a rework of the existing Garden Hill Field PaP#1-ST-#3 well. The two exploration wells will consist of one well on EL1070 ‘deep rights’ and one well on EL1116.
 - **Phase 2:** BSE will be required to drill seven further wells to increase its interest by a further 10%, to earn a 60.0% working interest in all of the lease and licences held by Enegi. Three of these well locations will be identified by Enegi and the remaining four by BSE.
- In the event the Farm-In is executed, BSE and Enegi have agreed that BSE will participate in a private placement under which BSE will purchase a number of shares at the average price for the previous 10 trading days from the date of the LOI, investing a total of GBP1,200,000;
- Under the terms of the Farm-In, BSE will take over operatorship of Enegi’s Newfoundland assets.

Through its wholly-owned subsidiary, Enegi Oil Inc., the Company currently holds a 100% working interest in onshore production lease PL2002-01(A) covering an area of 18km² (approximately 4,400 acres) which contains the discovered Garden Hill Field (“GHF”), as well as a 100% working interest in exploration licences EL1116 covering 2,120km² (approximately 524,000 acres) and 100% of the ‘deep rights’ on EL1070 covering 1,030km² (approximately 255,000 acres) (together the ‘Licences’). Under the terms of the proposed farm-in agreement, BSE would have the right to earn a maximum interest of 60% in each of the Licences by paying 100% of the costs of a 12 well program, as well as assuming operatorship of the Licences.

Under the terms of the Farm-In, the multi-well program will consist of drilling three appraisal and development wells in PL2002-01(A), including a rework of the existing Garden Hill Field

PaP#1-ST-#3 well, and drilling one exploration well into EL1070 ‘deep rights’ and one exploration well into EL1116. The remaining seven targets will be determined at a later date.

In addition, BSE and Enegi have agreed to an AMI covering co-operation in certain onshore and offshore targets in Newfoundland that have been identified. Upon entering the Farm-In, BSE will also purchase £1,200,000 of shares in the Company.



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 Enegi

Enegi Oil Plc is an independent oil and gas company whose strategy is to create an oil and gas company with a diversified portfolio of assets across the E&P value chain. The Company's current portfolio is made up of operations focused on opportunities around the Port au Port Peninsula in Newfoundland, Canada, the Clare Basin in County Clare, Ireland, the UK North Sea and Jordan.

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.