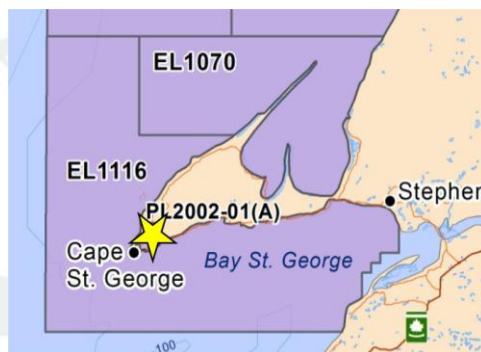




## Black Spruce Exploration comments on the Government's announcement on hydraulic fracturing

Corner Brook, Newfoundland & Labrador – November 6, 2013 – In response to the announcement made in the House of Assembly by the Honourable Derrick Dalley, Minister of Natural Resources, that the “*government will not be accepting applications for onshore and onshore to offshore petroleum exploration using hydraulic fracturing*” at this point in time (<http://www.releases.gov.nl.ca/releases/2013/nr/1104n06.htm>), Black Spruce Exploration Corp. (BSE) offers the following comments:

- We respect the government's decision and desire to ensure public consultation as part of its review and research on hydraulic fracturing. We believe it is vital to have an informed community and we will continue to work cooperatively with government officials and community leaders in order to build public understanding of hydraulic fracturing technology and processes.
- We recognize that hydraulic fracturing technology is new to the province and we are encouraged that the government intends to examine the rules and regulations employed in other jurisdictions where this technology has been used. There have been 1.4 million wells hydraulically fractured in North America.
- BSE fully supports the proper implementation of effective industry regulations to ensure the safe development of the energy resources of Western Newfoundland and to ensure public safety and protection of the environment.
- BSE's conventional drilling activities will create meaningful jobs in Western Newfoundland. In the past 10 days, in response to 3 job postings, we have received more than 100 applications for employment from Newfoundlanders. In addition, we have had inquiries from several hundred Newfoundlanders and Labradorians who work in the oil and gas industry worldwide, who want to come home. They have been contacting us from as far away as Russia and South America, and as close as the Port au Port Peninsula.
- Last week, on October 29<sup>th</sup>, we announced our 2014 conventional drilling plans (<http://www.blspexp.com/newsmedia/PR-October29-2013-BSE-Announces-Operational-Plans.pdf>), which emphasized our focus on developing our energy resources using conventional drilling that does not require hydraulic fracturing. In 2014, BSE plans to drill 3 to 5 wells on Production Licence PL2002-01(A), on the Port au Port Peninsula, as shown below.



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As President & CEO David Murray states: “We acknowledge the government’s desire to ensure that it has all of the facts before issuing regulatory guidance on hydraulic fracturing, and we will continue to work collaboratively with regulators and government officials throughout this process. We are confident that this technology can be used responsibly to the economic benefit of the people of Western Newfoundland, without comprising their health and protection of the environment, as it has been done in many other jurisdictions throughout the world.”

For more information on Black Spruce Exploration, visit [www.blspexp.com](http://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 & Labrador.

*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.*