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TSX ticker symbol; BKX

For Immediate Release

BNK PETROLEUM INC. OPERATIONAL UPDATE

CAMARILLO CALIFORNIA January 8, 2012 – BNK Petroleum Inc. (the “**Company**”) (TSX: BKX), provides the following operational update:

Poland

Building of the location for the first well on the Trzebielino concession has commenced and drilling is expected to begin by the end of February, 2012. After completion of the first Trzebielino well, the rig is scheduled to move to the first Bytow concession drilling location. The Trzebielino and Bytow concessions are 100% held by Indiana Investments Sp z o.o., a wholly owned indirect subsidiary of the Company. The Company is projecting that these two wells will encounter even richer and thicker organic shales than its Saponis Lebork S-1 well encountered. The Company’s technical evaluation indicates that the Ordovician on the Trzebielino and Bytow concessions was deposited in a deeper basin environment than the previously drilled wells. The deeper environment and transgressive nature of the deposit is expected to lead to richer and thicker organic shales. The Company is looking to confirm this with these two wells. Schematics of some of this analysis can be found on the Company’s website.

The previously announced 2D seismic program is progressing with approximately 50% of the data acquired. The program consists of about 407 km on the Saponis concessions and 333 km on the Indiana concessions. The objective of the seismic program is to further define basin structure and burial history as well as to aid in the selection of future well locations.

As previously announced the re-stimulation and testing of the Lebork S-1 well is planned for the spring 2012, when temperatures are warmer.

The following table contains core analysis from the Starogard S-1 well, on the Starogard concession held by Saponis:

| Starogard S-1 well | Ordovician Shale | Lower Silurian Shale |
|---------------------|------------------------|-----------------------|
| Gross Thickness | 23 meters | 149 meters |
| Total Porosity | 1.4 to 6.9% avg 4.1% | 1.7 to 5.8%, avg 4.3% |
| Gas filled Porosity | 0.4 to 1.8 %, avg 0.9% | 0.4 to 1.9%, avg 1.0% |
| Desorption | 17 SCF/ton | 38 SCF/ton |
| TOC by % weight | 0.1% to 3.3% TOC | 0.1% to 1.5% TOC |
| Percent Silica | 32% | 30% |
| Percent Carbonate | 18% | 8% |
| Percent Clay | 43% | 50% |

The Company has an indirect approximate 26.7 percent interest in the Starogard, Slupsk and Slawno concessions through Saponis. The remaining ownership is held by Rohöl-Aufsuchungs Aktiengesellschaft ("RAG"), Sorgenia E&P SpA and LNG Energy through its subsidiary.

The Company holds 195,000 net acres in the Baltic Basin of Poland through Saponis and a further 880,000 adjacent net acres through Indiana Investments Sp z o.o., it's wholly owned subsidiary which holds the Darlowo, Trzebielino and Bytow concessions.

United States

The Company completed an analysis of the Caney shale formation located in its Tishomingo Field in Oklahoma and recently fracture stimulated the Caney in one of its vertical wells. Initial results are positive, with the well producing over 20 barrels of oil a day. The Company is considering the drilling of a horizontal well in 2012 to further evaluate the Caney's full potential. The Caney, located above the Woodford, ranges from 300 to 350 feet in thickness and is present over all of BNK's acreage in the Tishomingo Field. Economic success in this interval could result in significant oil reserve additions to its Tishomingo field.

Corporate

The Company has completed an internal reorganization of its European assets. "The restructuring is designed to facilitate efficiencies, management and financing of our core European assets and operations," Chief Executive Officer and President, Wolf E. Regener, recently stated.

Caution Regarding Forward-Looking Information

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws, including but not limited to information regarding the Company's current plans and expectations regarding its concessions in Europe and Tishomingo field in Oklahoma, USA, and in particular, timing of commencement of drilling of new wells on its Poland concessions and fracture-stimulations of wells on its Tishomingo field, Oklahoma, USA, the Company's expectations as to the outcomes of the foregoing and hypotheses regarding the geology of the basins in which it has operations and is conducting exploratory work. Forward-looking information is based on plans and estimates of management at the date the information is provided and is subject to certain factors and assumptions of management, including that no unforeseen delays, unexpected geological or other effects, equipment failures, permitting delays, delays in procurement of required equipment or personnel, labor or contract disputes are encountered as well as that the Company's the financial condition and the development plans of the Company and its co-venturers will not change. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that occurrences such as those referred to above may occur and result in delays, unexpected geological formations or occurrences necessitating changes to or cessation in planned work, and that the financial condition and development plans of the Company or the other participants in the wells change, as well as other risks typically associated with joint ventures

with third parties and the risks and uncertainties applicable to exploration activities and to the Company, as set forth in the Company's management discussion and analysis and its annual information form both of which are available for viewing under the Company's profile at www.sedar.com. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

"Boe" means barrel of oil equivalent of natural gas and crude oil on the basis of 1 boe for 6 Mcf of natural gas (this conversion factor is an industry accepted norm and is not based on either energy content or current prices). References to boe's may be misleading, particularly if used in isolation. A boe conversion ratio of six mcf to one barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

About BNK Petroleum Inc.

BNK Petroleum Inc. is a U.S. based international oil and gas exploration and production company focused on finding and exploiting large, predominately unconventional oil and gas resource plays. Through various affiliates and subsidiaries, the Company owns and operates shale gas properties and concessions in the United States, Poland, Germany and Spain. Additionally the Company is utilizing its technical and operational expertise to identify and acquire additional unconventional projects outside of North America. The Company's shares are traded on the Toronto Stock Exchange under the stock symbol BKX.

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