

# Blacksteel Energy Inc. Announces Completion of Conversion of Convertible Debentures to Equity and Business Plan Update

Calgary, Alberta--(Newsfile Corp. - May 12, 2022) - Blacksteel Energy Inc. ("**Blacksteel**" or the "**Corporation**") announces that it has converted all of its outstanding convertible debentures into equity.

Converting the outstanding convertible debentures to equity is the second step in the implementation of Blacksteel's new business plan.

The conversion of \$1,796,227 of outstanding convertible debentures (the "**Debentures**") into common shares of the Corporation (the "**Common Shares**") at a price of \$0.10 per share resulted in the issuance of 17,962,275 Common Shares. Blacksteel received approval from owners of the Debentures holding in excess of the required 66.67% of the outstanding principal amount to convert all Debentures into equity.

The next step involves potential accretive transactions and the consolidation of 100% of the Girouxville asset.

Upon consolidation of the Alberta based Girouxville producing asset, a work program is planned to boost production and cash flow given the current oil price environment.

Blacksteel's new business plan includes evaluating international oil and gas opportunities that provide significant accretive exposure on a per share basis to Blacksteel's current reserves, production or cash flow while raising capital to support the various initiatives.

Upon completion of a significant transaction, Blacksteel intends to list its Common Shares on a recognized stock exchange to re-establish liquidity for its shareholders.

Jeff Callaway, Blacksteel's CEO, commented, "The completion of the conversion of the convertible debentures strengthens the Blacksteel balance sheet and represents a significant milestone in the execution of the business plan. The Blacksteel team has been doing due diligence on a significant international opportunity in conjunction with repositioning the company to establish a cash flow base from its Girouxville asset. The resulting cash flow, in the context of the current oil price environment, will provide sufficient funds to advance an international opportunity to the benefit of Blacksteel shareholders. We thank our shareholders for their patience as Blacksteel executes its proposed business plan."

## **Blacksteel Energy Inc.**

*Blacksteel is a junior oil and gas company involved in the exploration, exploitation, development and production of petroleum and natural gas resources.*

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BLACKSTEEL ENERGY

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