
PRESS RELEASE

**BAYSHORE PETROLEUM CORP ANNOUNCES
CHANGES TO ANNOUNCED TRANSACTION WITH E-T ENERGY LTD.**

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UNITED STATES/

CALGARY, May 16, 2016 – Bayshore Petroleum Corp. (“Bayshore” or the “Company”) (BSH/TSX Venture Exchange) announced on December 9, 2015, that it had entered into an arms-length Binding Letter of Intent (the “BLOI”) to merge with E-T Energy Ltd. (“ET”), a private Alberta corporation with oil sands leases in the Poplar Creek (Fort McMurray) area of Alberta. The Company updated this process in December 31, 2015, January 29, 2016, March 2, 2016, and April 26, 2016, news releases. Under the BLOI, Bayshore and ET (together the “Parties”) intended to raise capital and enter into a transaction pursuant to which the Parties would combine their businesses and operations and continue as Bayshore. The Parties conducted satisfactory due diligence and were to enter into a definitive agreement to complete the transaction.

Comprehensive discussions between the Parties and stakeholders during the past few months led to a decision by ET to amend its capital structure prior to any transaction. As a result, ET is seeking stakeholder approval to restructure and simplify the Poplar Creek asset ownership. When complete, Bayshore and ET would enter an agreement to invest in Poplar Creek and produce diesel, combining both Party’s technologies as was envisioned previously. The terms and structure of that investment will likely be significantly and materially different from the contemplated transaction. The Parties are therefore terminating the original BLOI of December 9, 2015. They shall await the completion of the current ET restructuring, and a further announcement will be made before June 17, 2016.

On behalf of the Board of Directors

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been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Cautionary Statements

Statements in this press release may contain forward-looking information including expectations of future production, operating costs, commodity prices, administrative costs, commodity price risk management activity, acquisitions and dispositions, capital spending, access to credit facilities, income taxes, regulatory changes, and other components of cash flow and earnings. This press release may also contain forward-looking or subjective information regarding technology, processes, and the oil and gas industry. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the company. These risks include, but are not limited to, the risks associated with the mining and oil and gas industry, commodity prices and exchange rate changes. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, technology and technology implementation, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward-looking information.

Completion of the transaction is subject to a number of conditions, including Exchange acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Bayshore should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.