

# BLUE SKY ENERGY INC.

## NEWS RELEASE

### **BLUE SKY ANNOUNCES FIRST PROSPECT, A HISTORICAL DISCOVERY WITHIN ITS LICENSE AREA IN IRAQ**

**December 21, 2016, Toronto, Ontario** – Blue Sky Energy Inc. (the “Company” or “BSI”) (TSXV: BSI) is pleased to announce it has commissioned an independent resource evaluation report that summarizes and updates resource volumes on its first prospect, the North Salah ad Din field, a historical discovery within its license area recently acquired in Iraq. The field, which was discovered in 1935 through drilling of a well by the British Oil Development Co. encountered highly fractured and porous limestone formations with heavy oil (asphalt) shows.

Mr. Neil Said, Vice President commented "This license is within a prolific oil basin that has seen exploitation since the 1930s. We look forward to the opportunity to develop these resources."

#### **About Blue Sky:**

Blue Sky Energy Inc. is a Canadian independent oil company.

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#### **Forward-looking information**

*This news release contains forward-looking information relating to the Company's growth and corporate strategy, and other statements that are not historical facts. Forward-looking information relates to management's future outlook and anticipated events or results, and may include statements or information regarding the acquisition of Sonoro Iraq; the prospectivity of the fields related to the Asphalt License Agreement; the security situation in Iraq; and the future plans or prospects of the Company. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.*

*Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what is currently expected. These factors include risks and uncertainties associated with oil and gas exploration, development, exploitation, delays resulting from or inability to obtain required federal government or provincial or regulatory approvals, the uncertainty associated with access to the license area, geological interpretations, the uncertainty of estimates and projections in relation to production, costs and expenses and health, safety and environmental risks, political and security risk in Iraq and ability to access sufficient capital from internal and external sources, reliance on key personnel, regulatory risks and delays and other risks and uncertainties discussed in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. There can*

*be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.*

*The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.*

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