FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. **Name and Address of Company**

Blackbird Energy Inc. (the "**Company**" or "**Blackbird**")
400, 444 5th Avenue SW Calgary
Alberta T2P 2T8

Item 2. **Date of Material Change**

September 22, 2016

Item 3. **News Release**

A news release relating to the material change described herein was disseminated through the services of Marketwired on September 22, 2016.

Item 4. **Summary of Material Change**

The Company announced that it has received final approval from the TSX Venture Exchange for its proposed acquisition of an indirect 10% minority interest in Stage Completions Inc. The Company also provided an update on the conditions still to be satisfied prior to closing of the acquisition and announced that it has executed an amending agreement to extend the closing date.

Item 5.1 **Full Description of Material Change**

The Company announced that it has received final approval from the TSX Venture Exchange for its proposed acquisition of an indirect 10% minority interest in Stage Completions Inc. ("**Stage**") for a cash purchase price of $3.0 million (the "**Transaction**") pursuant to the terms of a subscription agreement entered into between Blackbird and SC Holding Corporation ("**SCHC**"), the majority shareholder of Stage (the "**Subscription Agreement**").

The Transaction is subject to certain financial and operational conditions including the receipt of an independent valuation report regarding Stage and the successful deployment of Stage's Bowhead II system (the "**System**") in two third party wells (the "**Condition Wells**"). The independent valuation report, performed by a large international accounting firm, was received by Blackbird in September, 2016, and as such, this condition has been satisfied.

To date, the System was successfully installed and tested in the first of the Condition Wells during September, 2016. This successful installation and test followed the successful installation and test of the System in Blackbird's Cardium water disposal well during July, 2016.

At this time, the Transaction remains subject to the successful installation and test of the System in the second of the two Condition Wells, which is expected to occur in October or November, 2016. As a result, Blackbird currently expects closing of the Transaction to occur by the end of November, 2016. To accommodate the new closing timeline, Blackbird and SCHC have entered into an amending agreement dated September 22, 2016 (the "**Amending Agreement**") extending the closing date for the Transaction to no later than December 15, 2016.

A copy of the Amending Agreement has been filed on SEDAR at www.sedar.com concurrently with this Material Change Report.

Item 5.2 **Disclosure for Restructuring Transactions**

Not applicable.

Item 6 **Reliance on Confidential Filing Provisions:**

Not applicable.

Item 5. **Omitted Information**

Not applicable.

Item 6. **Executive Officer**

Further information relating to Blackbird may be found on www.sedar.com as well as on Blackbird's website at www.blackbirdenergyinc.com or by contacting Garth Braun, Chairman, President and Chief Executive Officer at:

Blackbird Energy Inc.
400, 444 5th Avenue SW
Calgary, Alberta T2P 2T8
Telephone: (403) 699-9929

Item 7. **Date of Report**

September 22, 2016

Forward-Looking Statements or Information

This material change report contains forward-looking statements or information (collectively referred to herein as "forward-looking statements"). Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements and are not guarantees of future performance of the Company. Such forward looking statements include but are not limited to management's expectations as to the timing for, or success of, the installation and test of the System in the second of the two Condition Wells as well as timing for closing of the Transaction.

No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic and business conditions in North America and internationally, (2) the inherent uncertainties and speculative nature associated with oil and gas exploration, development and production including drilling and completion risks, (3) the price of and demand for oil and gas and their effect on the economics of oil and gas exploration, (4) any number of events or causes which may delay or cease exploration and development of the Company's property interests, such as environmental liabilities, weather, mechanical failures, safety concerns and labour problems, (5) the risk that the Company does not execute its business plan, (6) inability to retain key employees, (7) inability to *finance operations and growth, and (8) other factors beyond the Company's control. Should one or more of these risks or uncertainties materialize, or should any of the Company's assumptions prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements. Readers are cautioned that the foregoing list of risks, uncertainties and other factors is not exhaustive. Unpredictable or unknown factors not discussed could also have material adverse effects on forward-looking statements. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent on other factors, and the Company's course of action would depend on its assessment of the future considering all information then available. All forward-looking statements in this material change report are expressly qualified in their entirety by these cautionary statements. Except as required by law, the Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change*