
BLACKBIRD ENERGY INC. INCREASES COMMON SHARE, CEE FLOW-THROUGH COMMON SHARE AND CDE FLOW-THROUGH COMMON SHARE FINANCING TO GROSS PROCEEDS OF UP TO \$81 MILLION

February 28, 2017 – Calgary, Alberta (TSXV – BBI) Blackbird Energy Inc. (“**Blackbird**” or the “**Company**”) is pleased to announce that, further to its press release dated February 27, 2017, the Company has increased the size of its previously announced marketed public offering (the “**Offering**”) due to strong demand. The Offering will consist of: (i) up to 110.0 million common shares of the Company (the “**Common Shares**”) at a price of \$0.55 per Common Share for gross proceeds of up to \$60.5 million; (ii) up to 25.8 million Common Shares to be issued on a “CEE flow-through” basis (the “**CEE Flow-Through Shares**”) at a price of \$0.64 per CEE Flow-Through Share for gross proceeds of up to \$16.5 million; and (iii) up to 6.8 million Common Shares to be issued on a “CDE flow-through” basis (the “**CDE Flow-Through Shares**”, and, collectively with the Common Shares and the CEE Flow-Through Shares, the “**Shares**”) at a price of \$0.59 per CDE Flow-Through Share for gross proceeds of up to \$4.0 million, for aggregate gross proceeds of up to \$81.0 million.

The Offering is being conducted through a syndicate of agents (the “**Agents**”) co-led by Cormark Securities Inc., Pareto Securities AS and TD Securities Inc., and including BMO Capital Markets, Scotia Capital Inc., Haywood Securities Inc., Laurentian Bank Securities Inc., Raymond James Ltd. and Jett Capital Advisors, LLC.

The Agents have been granted an over-allotment option, exercisable in whole or in part for a period of up to 30 days following the Closing Date (as described below), to offer for sale up to an additional 15% of each of the Common Shares, CEE Flow-Through Shares and CDE Flow-Through Shares sold pursuant to the Offering, and such additional shares shall be issued on the same terms and at the same price as those otherwise sold under the Offering (the “**Over-Allotment Option**”).

A preliminary short form prospectus in respect of the Offering dated February 27, 2017 (the “**Preliminary Prospectus**”) has been filed in all of the provinces of Canada (other than Québec) pursuant to National Instrument 44-101 - *Short Form Prospectus Distributions*. The Common Shares may also be sold in the United States and other jurisdictions pursuant to exemptions from registration requirements. The Company intends to file an amended and restated preliminary short form prospectus with the securities regulatory authorities in each of the provinces of Canada, except Québec, to reflect the increased size of the Offering and to provide additional details concerning the Offering, including pricing information (the “**Amended and Restated Preliminary Prospectus**”).

The net proceeds of the Offering, including any proceeds received upon the exercise of the Over-Allotment Option granted to the Agents, are expected to be used by the Company to fund the drilling and completion operations for approximately 12 Elsworth / Pipestone Montney wells and to incur related tie-in, equipping and pipeline gathering system costs, as well as for general corporate purposes. Please see “*Use of Proceeds*” in the Preliminary Prospectus, which is available under the Company’s profile at www.sedar.com, for further details of the use of net proceeds from the Offering.

The Company has applied to list the Shares on the TSX Venture Exchange (the “**TSXV**”). Listing will be subject to the Company fulfilling all of the listing requirements for the TSXV. The completion of the Offering is subject to certain conditions, including the receipt of all necessary regulatory approvals, including the approval of the TSXV. Closing of the Offering is expected to occur on or about March 14, 2017 (the “**Closing Date**”).

ABOUT BLACKBIRD

Blackbird Energy Inc. is a highly innovative oil and gas exploration and development company focused on the condensate and liquids-rich Montney fairway at Elmworth, near Grande Prairie, Alberta.

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READER ADVISORIES

Forward Looking Information

This news release includes certain statements that may be deemed "forward-looking statements" within the meaning of applicable Canadian securities legislation. Specifically, this news release includes, but is not limited to, forward-looking statements with respect to the net proceeds from the Offering and the use thereof, the completion of the Offering, the listing of the Shares, the receipt of regulatory approvals and the timing thereof, the exercise of the Over-Allotment Option, the filing of the Amended and Restated Preliminary Prospectus and the Closing Date of the Offering. Generally, forward-looking statements can be identified by the forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "projects", "intends", "anticipates", or "does not anticipate", or "believes", or "variations of such words and phrases or state that certain actions, events or results "may", "can", "could", "would", "might", or "will" be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the exploration and development and operation of the Company's projects, the actual results of current exploration, development activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future oil and gas prices, regulatory approvals including approvals from the TSXV for the Offering, as well as those factors discussed in the sections relating to risk factors of our business filed in the Company's required securities filings on SEDAR. Although the Company has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended. There can be no assurance that any forward-looking statements will prove 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 statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS. THIS PRESS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.