BLACKBIRD ENERGY INC.
Offering of Common Shares, CEE Flow-Through Shares, and CDE Flow-Through Shares

Terms and Conditions

February 28, 2017

An amended and restated preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, except Québec. A copy of the amended and restated preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities.

There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the amended and restated preliminary short form prospectus, final short form prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

(All amounts shown in C$)

Issuer:	Blackbird Energy Inc. (the "**Company**").
Offering:	Up to 110,000,000 common shares of the Company ("**Common Shares**). Up to 25,750,000 Common Shares to be issued on a "flow-through" basis under the *Income Tax Act* (Canada) pursuant to which subscribers will be entitled to receive renunciation of amounts qualifying as Canadian exploration expense ("**CEE Flow-Through Shares**"). Up to 6,800,000 Common Shares to be issued on a "flow-through" basis under the *Income Tax Act* (Canada) pursuant to which subscribers will be entitled to receive renunciation of amounts qualifying as Canadian development expense ("**CDE Flow-Through Shares**"). The Common Shares together with the CEE Flow-Through Shares and the CDE Flow-Through Shares shall hereinafter be referred to as the "**Shares**".
Issue Price:	$0.55 per Common Share. $0.64 per CEE Flow-Through Share. $0.59 per CDE Flow-Through Share.
Gross Proceeds:	Up to $60,500,000 of Common Shares, up to $16,480,000 of CEE Flow-Through Shares and up to $4,012,000 of CDE Flow-Through Shares for total gross proceeds of up to $80,992,000, excluding the Over-Allotment Option.
Over-Allotment Option:	The Company has granted the Agents an option, exercisable in whole or in part for a period of up to 30 days following the Closing Date, to arrange for the purchase of up to an additional 15% of the aggregate number of Common Shares, CEE Flow-Through Shares and CDE Flow-Through Shares comprising the Offering, on the same terms as described above.

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Offering Form:	Offered by way of a short-form prospectus filed in all provinces of Canada, except Québec, and on a private placement basis in the U.S. pursuant to Rule 144A and/or Regulation D of the United States Securities Act of 1933, as amended (the "**1933 Act**"), as well as in other jurisdictions as may be determined by the Company and the Agents. The Shares will not be registered under the 1933 Act. Accordingly, securities acquired by US purchasers will be subject to additional and continuing restrictions on resale under the 1933 Act.
Agency Basis:	"Reasonable commercial efforts" subject to conventional agency out termination clauses including "due diligence" out, "disaster" out, "material adverse change" out, and "market" out clauses commencing upon acceptance of this offer and terminating on the Closing Date.
Use of Proceeds:	The net proceeds of this Offering will be used to fund the drilling and completion operations for approximately 12 Elmworth / Pipestone Montney wells (including Qualifying Expenditures) and to incur related tie-in, equipping and pipeline gathering system costs, as well as for general corporate purposes.
Tax Renunciation:	Blackbird shall, pursuant to the *Income Tax Act* (Canada), incur Canadian exploration expense ("**CEE**") during the period commencing on the Closing Date and ending on December 31, 2018, and Canadian development expense ("**CDE**") during the period commencing on the Closing Date and ending on December 31, 2017, (the "**Qualifying Expenditures**") in an amount not less than the gross proceeds from the issuance of the CEE Flow-Through Shares and CDE Flow-Through Shares subscribed for under the Offering and the Company will renounce to the subscribers of such CEE Flow-Through Shares and CDE Flow-Through Shares, effective on or before December 31, 2017, CEE and CDE in an aggregate amount equal to such gross proceeds. In the event the Company is unable to renounce to such subscribers CEE and CDE effective on or prior to December 31, 2017 in an amount equal to the Issue Price for each CEE Flow-Through Share and each CDE Flow-Through Share, or if the Qualifying Expenditures are reduced by the Canada Revenue Agency, the Company will indemnify each of the subscribers of CEE Flow-Through Shares and CDE Flow-Through Shares for the additional taxes payable by such subscribers as a result of the Company's failure to renounce the CEE and CDE as set out above.
Listing & Approvals:	Application has been made to list the Common Shares on the TSX Venture Exchange (the "**TSXV**"), and closing of the Offering is subject to obtaining the conditional listing approval prior to the Closing Date. Such listing will be subject to the Company fulfilling all of the listing requirements of the TSXV. The Company shall also obtain, prior to the Closing Date, all requisite corporate approvals, shareholder approvals (if required) and all requisite third party consents for the Offering. The existing Common Shares of the Company are listed on the TSXV under the symbol "BBI".
Closing Date:	On or about March 14, 2017 or such other date as agreed to by the Co-Lead Agents and the Company.

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Eligibility:	The Common Shares will be eligible for Canadian RRSP's, RRIF's, DPSP's, RESP's and TFSA's.
Commission:	A cash amount equal to 4.5% of the gross proceeds of the Offering.
Agents:	Cormark Securities Inc.[(1)] Pareto Securities AS[(1)] TD Securities Inc. [(1)] BMO Nesbitt Burns Inc. Scotia Capital Inc. Haywood Securities Inc. Laurentian Bank Securities Inc. Raymond James Ltd. Jett Capital Advisors, LLP (1) Co-Lead Agents
Selling Group:	The Co-Lead Agents may, in connection with the Offering and in their discretion, form a selling group consisting of one or more other licensed dealers, brokers and investment dealers to offer Shares for sale.