

Blackhawk Announces Definitive Agreement with Global Royalty Corp.

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CALGARY, ALBERTA--(TSXV: BLR – July 23, 2013) - Blackhawk Resource Corp. ("Blackhawk" or the "Corporation"), is pleased to announce that further to its press release of April 24, 2013, it entered into a definitive share exchange agreement (the "Agreement") with Global Royalty Corp. ("GRC"), a private British Columbia resource royalty corporation (the "Transaction"). The Transaction remains subject to customary closing conditions including, but not limited to, Blackhawk shareholder approval and approval of the TSX Venture Exchange. As of the date of this release, not less than 67% of the GRC shareholders have entered into binding agreements to exchange their shares for Blackhawk shares. Similarly, Certain Blackhawk officers, directors and principal shareholders comprising 6% of the Blackhawk shares outstanding have entered into support agreements in favor of the Transaction.

In connection with the execution of the Agreement, Blackhawk will be advancing as a loan to GRC \$1.65 million to repay an existing GRC credit facility (the Blackhawk Loan"). The Blackhawk Loan will bear interest at the prime rate plus 3% and is secured by general security agreements from GRC and its subsidiaries. The Loan is subject to TSX Venture Exchange approval.

Blackhawk is listed on the TSXV and is currently engaged in the oil and gas business. Upon completion of the Transaction, the Corporation will continue the business of GRC, as described below.

Global Royalty Corp.

GRC's business focus is on the acquisition of commodity based royalties. Commodity-based royalties generate revenues based upon receiving a fixed percentage of total production output. This business model of investing in revenue-based income streams significantly reduces risks associated with mine operating and capital costs, while offering exposure to exploration upside at no additional cost. GRC's royalty assets currently consist of two precious metals net smelter return (NSR) royalties, both of which are in production, as follows:

Magistral / El Gallo Net Smelter Return Royalty

GRC owns a sliding scale Net Smelter Return Royalty on gold or gold equivalent recovered from certain concessions on the El Gallo project owned by McEwen Mining Inc. (MUX – TSX), located in Mexico. The royalty is calculated at a rate of 1 percent of net smelter returns on the initial 30,000 ounces of gold equivalent production, at a rate of 3.5 percent of net smelter returns on the next 350,000 ounces of gold equivalent production, and thereafter, at a rate of 1 percent of net smelter returns on gold equivalent production recovered from the area, in perpetuity. Additional details concerning the Magistral / El Gallo project can be found on the McEwen Mining Inc. website and on SEDAR.

Zaruma Portovelo NSR Royalty

GRC owns a 1.5% NSR royalty covering the Zaruma Gold Project in Ecuador owned by Dynasty Metals & Mining Inc. (DMM – TSX). Additional details concerning the Zaruma Gold Project can be found on the Dynasty Metals & Mining Inc. website and on SEDAR.

The Transaction

The transaction will involve a consolidation of the shares of Blackhawk at a ratio based upon the net working capital of Blackhawk at the time of the merger. The ratio will be outlined in the management information circular that will be prepared and distributed to all existing shareholders. In exchange for all of the issued shares of GRC, Blackhawk will issue, post consolidation, up to 30.5 million shares, subject adjustment based on GRC issued for cash or in consideration with GRC Royalty agreements completed prior to the closing date.

Sponsorship

Sponsorship of the Transaction may be required by the TSXV unless exempt in accordance with TSXV policies. The Corporation is currently reviewing the requirements for sponsorship and may apply for exemption from sponsorship requirements. There is no assurance Blackhawk will ultimately obtain exemption from sponsorship.

Trading Halt

Trading in the Corporation's common shares on the TSXV is halted and will remain halted until the documentation required by the TSXV has been reviewed and accepted by the TSXV.

Fairness Opinion

In connection with the transaction, Blackhawk currently intends to obtain a fairness opinion with respect to the consideration to be paid for the GRC shares and dilutive securities.

Cautionary

Completion of the Transaction is subject to a number of conditions, including TSXV acceptance and, if applicable, majority of the minority shareholder approval. Where applicable, 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 Blackhawk should be considered highly speculative.

The TSXV has in no way passed upon the merits of Transaction and has neither approved or disapproved the contents of this press release.

A further press release will be issued in due course to provide, among other things, selected financial information regarding GRC, the potential financing and any further conditions surrounding the closing of the transaction.

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Neither TSX Venture Exchange nor its Regulation Services 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 referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Except for the statements of historical fact contained herein, certain information presented herein constitutes "forward-looking statements". More particularly, this press release may contain forward-looking statements concerning the sale of assets and property of the Corporation. The forward-looking statements contained in this press release are solely opinions and forecasts which are uncertain and subject to risks. Forward-looking statements include but are not limited to uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties, including, but not limited to: non-performance of agreements in accordance with their terms and regulatory approval and certain other risks detailed from time to time in the Corporation's public disclosure documents which can be found at www.sedar.com. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned that the assumption used in the preparation of the forward-looking statements, although considered reasonable at the time of preparation may prove to be imprecise and, as such undue reliance should not be placed on forward-looking statements. The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, the Corporation 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, except as required by applicable securities law. Additionally, the Corporation undertakes no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.

