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NEWSWIRE**

**Blackhawk Resource Corp. Announces Proposed Change of Business and Board Appointment**

Calgary, Alberta February 18, 2014 – Blackhawk Resource Corp. (the “**Corporation**” or “**Blackhawk**”) (TSXV - BLR), is pleased to announce that it will be pursuing a proposed change of business to an investment company (the “**Proposed COB**”). The Corporation has requested its common shares (“**Shares**”) be halted by the TSXV pending review of materials for the Proposed COB.

Trading in Blackhawk Shares on the TSXV is halted and will remain so until the documentation required by the TSXV has been reviewed and accepted by the TSXV.

**Summary of the Proposed COB**

After a thorough evaluation of the Corporation's existing resources and a review of strategic options for the Corporation generally, the Corporation determined to refocus its business operations from a "oil and gas issuer" to an "investment issuer". The Board believes that its network of business contacts, the depth of experience of its management team and its overall entrepreneurial approach will enable it to identify and capitalize upon investment opportunities as an "investment issuer".

Upon completion of the Proposed COB, the Corporation's primary focus will be to seek returns through investments in the securities of other companies and other assets.

*Investment Strategy*

In connection with the Proposed COB, the Corporation intends to adopt an investment policy (the "Investment Policy") to govern its investment activities and investment strategy. A copy of the Investment Policy will be posted on SEDAR.

The Investment Policy provides, among other things, that: (a) the Corporation's objective as an investment company is to enhance shareholder value over the long term on a per share basis; (b) the Corporation will seek to accomplish this objective by making use of the experience, expertise and opportunity flow of its management and Board to opportunistically make investments in situations that the Corporation believes will provide superior returns over the long term; and (c) such investments may include, without limitation, the acquisition of equity, debt or other securities of publicly traded or private companies or other entities and the acquisition of all or part of one or more businesses, portfolios or other assets, in each case that the Corporation believes will enhance value for the shareholders of the Corporation over the long-term.

The Investment Policy provides the Corporation with broad authority in regards to the types of investments that may be made and held by the Corporation with a view to enhancing value for its shareholders over the long term. The Investment Policy states that the Corporation will invest with a preference for opportunities in Canada or the United States, but may from time to time also pursue opportunities internationally. The Investment Policy does not preclude the Corporation from investing in any particular industry and has no specific policy with respect to investment diversification, although over time it will be the goal of the Corporation to acquire and hold investments that the Corporation believes will collectively provide superior returns over the long term.

The Investment Policy also states that, depending upon the Corporation's assessment of market conditions and investment opportunities, the Corporation may, from time to time, be fully invested, partially invested or entirely uninvested such that the Corporation is holding only cash or cash-equivalent balances while the Corporation actively seeks to redeploy such cash or cash-equivalent balances in suitable investment opportunities.

Notwithstanding the foregoing, the Corporation's investment objective, investment strategy and investment restrictions may be amended from time to time as approved by the Board. Additionally, notwithstanding the Investment Policy, the Board may, from time to time, authorize such additional investments outside of the disciplines set forth therein as it sees fit for the benefit of the Corporation and its shareholders.

*Nature of Involvement*

The Corporation may, from time to time and in appropriate circumstances, seek a more active role in regards to investment situations and investee companies where the involvement of the Corporation is expected to make a significant difference to the success of the Corporation's investment. In appropriate circumstances, this may involve the Corporation, either alone or jointly with other shareholders, seeking to influence the governance of public or private issuers by seeking board seats, launching proxy contests or taking other actions to enhance shareholder value, or becoming actively involved in the management or board oversight of investee companies.

#### *Investment Evaluation Process*

The management and Board will work jointly to uncover appropriate investment opportunities that meet the Corporation's investment strategy as outlined above and the Corporation's objective of enhancing shareholder value over the long term on a per share basis. These individuals have a broad range of business and investing experience and networks through which potential investments are expected to be identified. All investments considered by the Corporation will be subject to rigorous analysis and evaluation, and all major investments and dispositions will be subject to prior approval of the Board in such manner as it may determine appropriate from time to time.

In reaching an investment decision regarding an investment in any particular issuer, the Corporation will consider, among other things, the following factors:

- the anticipated rate of return and level of risk;
- the financial condition and financial performance of the issuer and its anticipated future results;
- the quality of an issuer's management and board of directors and the issuer's alignment with the Corporation's investment objectives;
- exit strategies and criteria;
- the size of the investment, its price and valuation; and
- the Corporation's ability to efficiently finance its investment.

All investment decisions will be made consistent with the objective of enhancing shareholder value over the long term on a per share basis.

#### *Composition of Investment Portfolio*

The Corporation expects that its investment portfolio will initially be comprised of the oil and gas assets of the Corporation and an investment in publicly traded money market mutual funds. The Corporation further intends to seek additional investment opportunities in accordance with the policies and processes described herein and the policies of the Exchange applicable to an "investment issuer".

#### **New Board Member**

W. Scott McGregor will be added to the Board before the Proposed COB. Other than the addition of Mr. McGregor, there will be no change to the Board or management of the Corporation as a result of the Proposed COB.

W. Scott McGregor has seventeen years of energy and corporate finance experience, most recently with Casimir Capital LP where he was a Managing Director, Investment Banking in their Calgary Office from February 2013 to January 2014 upon the closing of the Casimir office in Calgary. Prior thereto he was with Acumen Capital Partners in the capacity of Vice-President, Investment Banking from 2006 to 2013 and with Octagon Capital Corporation from 1999 to 2006. From 1998 to 1999 Mr. McGregor was similarly employed by Levesque Beaubien Geoffrion. Prior to his career in Investment Banking, Mr. McGregor spent two years in a finance/treasury role at Numac Energy Inc.

Mr. McGregor holds a Master of Business Administration from the University of Toronto as well as a Bachelor of Arts (Hons) from Queen's University.

It is proposed that Mr. McGregor will be a member of the Corporation's Investment Committee following the Proposed COB.

### **Corporate Matters**

The Proposed COB is subject to the acceptance by the Exchange and, if required, shareholder approval.

The Corporation is currently a junior oil and gas issuer with assets composed of oil and gas assets. The Corporation averaged production of 40 BOE/D during the year ended June 30, 2013, split 63% oil and 37% gas. The Corporation intends to maintain these oil and gas assets at the present time as an investment.

*Completion of the Proposed COB is subject to a number of conditions, including TSXV acceptance and, if required, shareholder approval. There can be no assurance that the Proposed COB will be affected or be completed.*

*Investors are cautioned that, except as disclosed in the Management Information Circular and/or Filing Statement to be prepared in connection with the Proposed COB any information released or received with respect to the Proposed COB may not be accurate or complete and should not be relied upon. Trading in the securities of the Corporation should be considered highly speculative.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the Proposed COB and has neither approved nor disapproved the contents of this press release.*

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