



Blackhawk Growth Corp.

BLACKHAWK ACQUIRES CALIFORNIA-BASED LICENSED CANNABIS PRODUCER

Vancouver, British Columbia – July 28, 2020 – Blackhawk Growth Corp. (CSE:BLR; Frankfurt:0JJ; US-OTC:BLRZF) (the “**Company**”), is pleased to announce that it has acquired all of the outstanding share capital of SAC Pharma Partners Inc. (“**SAC Pharma**”).

SAC Pharma is a privately-owned British Columbia company which, through its wholly-owned subsidiary, SAC Pharma Partners USA, Inc. (“**SAC Pharma USA**”), operates a facility for the licensed production of cannabis in California. SAC Pharma USA became fully operational in the regulated cannabis business when commercial sales became legal in California on January 1, 2018. Through its management’s contacts and network, SAC Pharma USA has formed a supply chain and set up a network of contracted distributors and retailers. SAC Pharma USA has a significant first-mover advantage as it has refined its cultivars, production techniques and has existing strategic relationships to facilitate distribution of its core products directly to the hands of retailers and customers. SAC Pharma USA’s production facility is located in the City of Sacramento, California. The Sacramento facility is a 15,000 square foot warehouse with a fully enclosed secure yard with on-site parking and dedicated shipping lanes. It is situated on 0.68 acres and received its State license from the California Department of Food and Agriculture on January 1, 2018 for an active canopy size of up to 10,000 SF. The Sacramento facility has been in operation since January 1, 2018, producing and selling cannabis through the Company’s licensed wholesaler arrangements in California.

SAC Pharma now forms part of the Company’s existing portfolio of investments in the cannabis sector. SAC Pharma’s existing management will continue to retain responsibility for overseeing day-to-day operations, based upon an agreed budget.

Transaction Structure

The acquisition of SAC Pharma proceeded pursuant to an amalgamation agreement between the Company, a wholly owned subsidiary of the Company (“**Subco**”) and SAC Pharma (the “**Definitive Agreement**”). Pursuant to the Definitive Agreement, SAC Pharma amalgamated with Subco, and the resulting amalgamated entity is now a wholly-owned subsidiary of the Company (the “**Transaction**”). In consideration for the completion of the Transaction, the Company has issued 120,000,000 common shares to the shareholders of SAC Pharma in exchange for every share of SAC Pharma they held.

The Company is at arms-length from SAC Pharma and its shareholders. The Transaction neither constitutes a fundamental change nor a change of business for the Company, nor has it resulted in a change of control of the Company within the meaning of applicable

securities laws and the policies of the Canadian Securities Exchange. In connection with the completion of the Transaction, the Company has issued 6,000,000 common shares to an arms-length third-party who assisted with facilitating the Transaction.

“I am extremely pleased we were able to close on this transaction” says Frederick Pels, CEO of the Company. “SAC Pharma is a transformative acquisition for Blackhawk, as it allows us to take advantage of a growing sector in California while bolstering our balance sheet. SAC Pharma was one of the first cultivators to obtain its license two and a half years ago, and has cemented itself as one of the premier growers in the State of California. There are a number of exciting synergies between our groups, and we can’t wait to help SAC Pharma propel their business to the next level as they continue to expand throughout the State.”

“We are excited about this strategic partnership with the folks from Blackhawk” says Corey Travis, CEO of Sac Pharma Partners. “The synergy between talent and resources will allow us to scale in this incredible growth market. SAC Pharma spent a long time refining its production processes- and now, with the strength and support of Blackhawk, it will be able to expand delivery of its core management services and product lines to a rapidly growing essential industry.”

SAC Pharma is currently finalizing their corporate presentation which should be ready to be viewed by all shareholders and interested parties in the coming days on the Blackhawk Growth Corp. website (www.blackhawkgrowth.com).

Frederick Pels, Chief Executive Officer

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Cautionary Note Regarding Forward-Looking Statement

All statements in this press release, other than statements of historical fact, are “forward-looking information” with respect to the Company within the meaning of applicable securities laws, including with respect to the future prospects of the business of the Company and SAC Pharma, including the ability of SAC Pharma to grow and expand delivery of its core management services and product lines with help from the Company. The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited those identified and reported in the Company’s public filings under the Company’s SEDAR profile at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that

such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.