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Big Sky Petroleum Montana Exploration Progress

Big Sky Petroleum (TSX-V: BSP) has been actively assessing its Montana oil exploration efforts in Glacier and Toole Counties and provides the following update.

The **Midboe 4-3 Well** was drilled to determine the reservoir characteristics of the Bakken, Three Forks, and Nisku formations. The well was intended to determine the prospectiveness of the eastern flank of the Kevin Dome and the information will be included in our revised geologic model and will influence our future exploration efforts in the area of interest. The core from this well is currently being evaluated and results should be received in the fourth quarter.

The planned **81-4 Well**, located in Glacier County, Montana, continues to await permitting. The Company had planned to drill a 4,500' pilot hole to test the Middle Bakken upon receipt of the permit which was expected in Q2. If Big Sky decides to continue in this area after the delays due to permitting, then frac design, stimulation and completion programs may be concluded after all well data has been processed and evaluated.

A detailed study of the **Somont 14-29 well** was received in July. This report was analyzed and a new drilling plan for the nearby 15-13 well has been completed. Big Sky presented this report to its partners at a recent meeting in Denver and the partners have elected not to participate in the drilling of the 15-13 well. Big Sky is currently in the process of considering its options relating to the lands covered by the Somont Farm-out Agreement.

Sam Nastat, President, commented that "Big Sky has spent the last few months methodically reviewing the details of the work that we have done to date in Montana and taken a leadership position on the joint venture projects in Montana by commissioning the most detailed reports done to date. Big Sky also has received several opportunities to review new projects, possibly due to its strong balance sheet including a cash position of approximately \$4.8 million without any debt as of June 30, 2012."

Big Sky was also able to recover \$682,982 (Big Sky's shares is 33% or \$227,661) through the sale of certain lands (approximately 27,283 acres, Big Sky's share of which was 33%) in Montana that were not considered core holdings for Big Sky.

About Big Sky

Big Sky is an oil and gas exploration and development company based in Vancouver, B.C., with its main focus on the exploration and development of oil and gas in the Alberta Basin, commonly referred to as the Bakken source system. Big Sky's operations cover three separate land packages in Toole and Glacier Counties, Montana, of which Big Sky has a 33.33% interest.

Sam Nastat
President

For additional information, contact Sandrine Lam at 604-687-3520 or visit our website at www.bspcorp.com.

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This press release contains "forward-looking information". Such forward-looking statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions, including, the risks and uncertainties outlined in our most recent financial statements and reports and registration statement filed with the Canadian securities administrators (available at www.sedar.com). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected.