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For Immediate Release

August 7, 2018

Big Sky Announces Closing of \$500,000 Non-Brokered Private Placement of Special Warrants and Effective Date of Share Consolidation

Big Sky Petroleum Corporation (NEX: BSP.H) (the “**Company**” or “**Big Sky**”), is pleased to announce that it has closed its non-brokered private placement of 25,000,000 special warrants of the Company (the “**Special Warrants**”) at \$0.02 per Special Warrant (pre-Consolidation) for aggregate gross proceeds of \$500,000 (the “**Offering**”), previously announced on June 22, 2018. Pursuant to a discretionary waiver of the \$0.05 minimum pricing requirement conditionally granted by the TSX Venture Exchange (the “**Exchange**”), the Company will effect a 5 to 2 share consolidation (the “**Consolidation**”) of the common shares in the capital of the Company (each a “**Share**”).

Offering

Each Special Warrant entitles the holder thereof to receive, upon deemed exercise on the Automatic Exercise Date (as defined below) and without payment of additional consideration, one post-Consolidation unit (a “**Unit**”) at a deemed value of \$0.05 per Unit. Each post-Consolidation Unit will consist of one post-Consolidation Share and one common share purchase warrant (a “**Warrant**”), with each Warrant entitling the holder thereof to acquire a post-Consolidation Share at a price of \$0.05 per Share for a period of 12 months from the date of issuance. The “**Automatic Exercise Date**” is the date that is the later of: (i) July 23, 2018 and (2) completion of the Consolidation.

The Company intends to allocate the net proceeds as follows: (1) \$450,000 towards current liabilities; and (2) the balance for general working capital purposes and preservation of the Company’s existing operations, activities and assets. However, the actual allocation of net proceeds may vary from the uses set forth above, depending on future operations or unforeseen events or opportunities.

All securities issued under the Offering were issued to arm’s length investors and are subject to a four month hold period expiring December 8, 2018.

Share Consolidation

The Company further announces that it has received approval from the Exchange to effect the Consolidation. The Company’s Shares will commence trading on a post-Consolidation basis effective on August 10, 2018. The new CUSIP number will be 08954W306 and the new ISIN number will be CA08954W3066.

Following the Consolidation, the Company’s issued and outstanding Shares will be reduced from 6,067,667 to approximately 2,427,067. The Consolidation affects all shareholders uniformly (except for the treatment of post-Consolidation fractional Shares, as noted below) and will not affect any shareholder’s proportional ownership interest in the Company. Any resulting fractional share entitlement remaining after conversion at .5 or over will be rounded up to the nearest whole number and below .5 will be rounded down to the nearest whole number.

A letter of transmittal will be sent by mail to registered shareholders on August 10, 2018 advising that the Consolidation has taken effect. The letter of transmittal will contain instructions on how registered shareholders can exchange their share certificates and/or DRS statements evidencing their pre-consolidation Shares for new share certificates and/or new DRS statements representing the number of post-consolidation Shares to which they are entitled.

The Company is not changing its name and is not changing its trading symbol.

About Big Sky Petroleum Corp.

Big Sky is a Canadian oil and gas exploration company. The Company is currently searching for new exploration projects that will benefit its shareholders.

ON BEHALF OF THE BOARD

“Winnie Wan”

Chief Financial Officer

For additional information, please contact the Company at 604-687-3520.

Cautionary Statement Regarding “Forward-Looking” Information

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Except as required pursuant to applicable securities laws, the Company will not update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by the Company.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities issued, or to be issued, under the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.