

**BIG SKY PETROLEUM CORPORATION**  
2288 - 1177 West Hastings Street, Vancouver, BC V6E 2K3

**NEWS RELEASE**

**BIG SKY ANNOUNCES PROPOSED ACQUISITION OF  
PURE EXTRACT TECHNOLOGIES INC.,  
\$5 MILLION FINANCING**

*Not for distribution to United States newswire services or for release, publication, distribution or dissemination, directly or indirectly, in whole or in part, in or into the United States.*

---

Vancouver, B.C., February 19, 2020 – Big Sky Petroleum Corporation (TSX-V: BSP.H) (the “Company” or “Big Sky”), a company listed on the NEX Board of the TSX Venture Exchange (the “TSXV”), is pleased to announce that it has signed a letter of intent dated February 18, 2020 (the “LOI”) pursuant to which the Company will acquire (the “Proposed Transaction”) all of the outstanding shares of Pure Extract Technologies Inc. (“Pure”), a British Columbia based cannabis and hemp extraction company. Pure’s operations will include toll processing, white labelling and its own private label of products incorporating its full spectrum THC and CBD based extracted oils. Additionally, Pure intends to obtain approval of the production and sale of its products into the European Union having built its facility to EU GMP standards. It is intended that the combined company (the “Resulting Issuer”) will be a multifaceted company engaged in processing, extraction and sale of various branded products incorporating its full spectrum THC and CBD based oils.

**Summary of the Proposed Transaction**

The LOI contemplates that the Company and Pure will promptly negotiate and enter into a definitive agreement (the “Definitive Agreement”), together with such other documents that may be required to affect such filings, authorizations and applications in order to formalize and execute the terms of the Proposed Transaction as outlined in the LOI. The LOI contemplates that the Definitive Agreement will be subject to the receipt of all necessary shareholder and third party approvals and the standard terms and conditions concerning the due diligence review of each of the parties, including financial statements, potential liabilities and material contracts.

The Proposed Transaction is expected to be effected by way of a three-cornered amalgamation without court approval under the provisions of the *Business Corporations Act* (British Columbia) (the “BCBCA”). Pure will amalgamate with a newly incorporated wholly-owned subsidiary of the Company and will become a wholly-owned subsidiary of the Company on completion of the Proposed Transaction and the shareholders of Pure will exchange their shares in Pure for common shares of the Company. Upon completion of the Proposed Transaction, the Resulting Issuer will continue on with the business of Pure.

The Resulting Issuer intends to voluntarily de-list its common shares from the NEX Board of the TSXV and apply for listing on the Canadian Securities Exchange (the “CSE”), subject to seeking majority of the minority shareholder approval in connection with the de-listing, if required.

In connection with the Proposed Transaction, Pure will conduct an equity financing for a minimum of \$5,000,000 (the “Financing”). The proceeds of the Financing will be used to expand Pure’s

existing product line, brand development, inventory management, bulk cannabis purchases, and general working capital.

The Board of Directors of the Resulting Issuer is expected to be comprised of five members with two members nominated by the Company, two members nominated by Pure and one mutually nominated member. Prior to the closing of the Proposed Transaction, Big Sky will change its name to “Pure Extract Technologies Corp.”, or such other name as may be agreed upon the parties. Additionally, Big Sky will complete a consolidation of the issued common share capital on the basis of one (1) new common share for each ten (10) old common shares (the “**Consolidation**”)

Additional information concerning the Proposed Transaction will be disclosed in a subsequent news release, including information in respect of the proposed directors and officers of the Resulting Issuer once available.

The common shares of the Company were halted effective February 19, 2020 and are not expected to recommence trading on the TSXV prior to delisting in connection with the completion of the Proposed Transaction.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

### **About Pure**

Pure was incorporated under the BCBCA and has its offices and operations in Pemberton, British Columbia. Pure is a late stage applicant under the Cannabis Act and related regulations for a Standard Processing License. Pure has a fully built CO2 extraction facility built to European Union GMP standards. Pure intends to undertake the business of the extraction and processing of Cannabis and Hemp as a third-party service to Licensed Producers for toll processing or white label processing and for its own private label of products incorporating its full spectrum THC and CBD based extracted oils. Pure intends to seek EU GMP certification of its operations allowing it to export its products for sale in Europe wherever such products are legal.

### **About Big Sky**

Big Sky is currently listed on the NEX Board of the TSXV. Management of the Company has been actively engaged in assessing possible projects with a view to completing an acquisition.

For further information please contact Sean Bromley at (778) 985-8934

### **ON BEHALF OF THE BOARD**

(signed) “Sean Bromley”

Sean Bromley  
CEO and Director

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

*Completion of the Proposed Transaction is subject to a number of conditions. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the CSE Listing Statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the company should be considered highly speculative.*

*Neither the TSXV nor the CSE has in any way passed upon the merits of the Proposed Transaction and have neither approved nor disapproved the contents of this press release.*

*All information contained in this news release with respect to Big Sky and Pure was supplied by the parties, respectively, for inclusion herein, and Big Sky and its directors and officers have relied on Pure for any information concerning Pure.*

*This news release contains forward-looking statements relating to Pure's intended business of hemp and cannabis extraction which will require receipt by Pure of a standard processing license, the timing and completion of the Proposed Transaction, the future operations of the Company, Pure, and the Resulting Issuer and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "intends", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Proposed Transaction and the future plans and objectives of the Company, Pure and the Resulting Issuer are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the expectations of the Company, Pure, and the Resulting Issuer include the failure to satisfy the conditions to completion of the Proposed Transaction set forth above and other risks detailed from time to time in the filings made by the Company, Pure and the Resulting Issuer under securities regulations.*

*The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, Pure and the Resulting Issuer. As a result, the Company, Pure and the Resulting Issuer cannot guarantee that the Proposed Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company, Pure and the Resulting Issuer will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.*