

BLUE SKY ENERGY INC.

NEWS RELEASE

BLUE SKY APPOINTS NEW DIRECTOR

January 17, 2017, Toronto, Ontario – Blue Sky Energy Inc. (“Blue Sky” or the “Company”) (TSXV: BSI) is pleased to announce that Lieutenant General (Retired) Ronald V. Hite has joined the board of directors of the Company effective immediately.

Lieutenant General Hite retired in 1997 from the United States Army after 33 years of service. During his military career, General Hite held several senior military leadership positions and is a Vietnam War veteran. His last active duty assignment was as Military Deputy to the Assistant Secretary of the Army for Research, Development, and Acquisition, the Senior Military Advisor to the Army Acquisition Executive and the Army Chief of Staff on all research, development, and acquisition programs and related issues. He testified as a principal military witness for Research, Development, and Acquisition appropriations with Congress, supervised the Army’s Program Executive Officer System, and also served as the Director, Army Acquisition Corps. Upon retirement from the military, General Hite joined Cypress International in Alexandria, Virginia where he retired as Chairman and CEO in 2015.

The appointment of Mr. Hite follows the resignation of Mr. Neil Said from the board of directors of the Company. Mr. Neil Said remains an officer of the Company.

About Blue Sky:

Blue Sky Energy Inc. is an independent oil exploration company.

For more information, contact:

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Forward-looking information

This news release contains forward-looking information relating to the Company's growth and corporate strategy, and other statements that are not historical facts. Forward-looking information relates to management's future outlook and anticipated events or results, and may include statements or information regarding the appointment and resignation of directors and the future plans or prospects of the Company. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what is currently

expected. These factors include risks and uncertainties associated with oil and gas exploration, development, exploitation, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, reliance on key personnel, regulatory risks and delays and other risks and uncertainties discussed in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. 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. Accordingly, readers should not place undue reliance on forward-looking information.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

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