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TSX Venture Exchange: **BSK**
Frankfurt Stock Exchange: **MAL2**
OTCQB Venture Market (OTC): **BKUCF**

NEWS RELEASE – February 16, 2017

Blue Sky Provides Update on Drilling Program at Amarillo Grande Uranium Project, Argentina

Vancouver, BC / Marketwired / February 16, 2017 / Blue Sky Uranium Corp. (TSX-V: BSK, FSE: MAL2; OTC: BKUCF), "Blue Sky" or the "Company" is pleased to provide an update on the progress of the reverse circulation ("RC") drilling program at the Amarillo Grande uranium project, in Rio Negro Province, Argentina. To date, 46 holes have been completed at the Ivana area on targets defined by the previous geophysics program and older pit sampling. Holes range from three to 21 metres, averaging 13.6 metres in extent. The first batch of samples has been sent to the laboratory for analysis.

In addition to the on-going exploration work, the field team has hosted the Mining Secretary of Rio Negro, Señor Juan Pablo Espínola, at site at the end of January. Sr. Espínola reported being pleased with both the working standards and the Company's relationships with landowners. Also in January, Dr. Jon Thorson, a well-respected geological consultant specializing in exploration for mineral deposits in sedimentary basins, conducted an on-site review of the Amarillo Grande project along with Company Technical Advisor, Jorge Berizzo. The review provided additional insight into controls to uranium mineralization at the project which will be incorporated into the current program.

"We are pleased to have both government support and third party validation for our program at Amarillo Grande. The 3,000 metre program is continuing, and we are looking forward to our first batch of results in the upcoming weeks," stated Nikolaos Cacos, Blue Sky President & CEO.

For additional details on the program please refer to the Company news release dated January 26, 2017.

About the Amarillo Grande Project

This new uranium district was first identified, staked and underwent preliminary exploration by Blue Sky from 2007 to 2012 as part of the Grosso Group's strategy of adding alternative energy focus to its successful portfolio of metals exploration companies. The close proximity of several major targets suggest that if resources are delineated a central processing facility would be envisioned. The area is flat-lying, semi-arid and accessible year round, with nearby rail, power and port access.

Mineralization identified to date represents a Surficial Uranium style of deposit, where carnotite mineralization coats loosely consolidated pebbles of sandstone and conglomerates. Carnotite is amenable to leaching, and early metallurgical work indicates that the mineralized material can be upgraded using a very simple wet screening method. The near-surface mineralization, ability to locally upgrade, amenability to leaching and central processing possibility suggest a potentially low-cost development scenario for a future deposit.

Rio Negro is host to several facilities related to the nuclear industry. Furthermore, the Provincial government is amenable to mining as a means of socio-economical development. In addition, the Federal government has expressed support for building domestic resources of uranium. In particular, the Argentina Atomic Energy National Commission (CNEA) published its Strategic Plan 2015-2025, which includes a strategic objective "To ensure the supply of domestic uranium for nuclear power plants in operation, under construction and planned." For additional details on the project and properties, please see the Company's website: www.blueskyuranium.com

Qualified Person

The contents of this news release have been reviewed and approved by David Terry, Ph.D., P.Geo. Dr. Terry is a Director of the Company and a Qualified Person as defined in National Instrument 43-101.

About Blue Sky Uranium Corp.

Blue Sky Uranium Corp. is a leader in uranium discovery in Argentina. The Company's objective is to deliver exceptional returns to shareholders by rapidly advancing a portfolio of surficial uranium deposits into low-cost producers. Blue Sky holds has the exclusive right to over 428,000 hectares of property in two provinces in Argentina. The Company's flagship Amarillo Grande Project was an in-house discovery of a new district that has the potential to be among the first domestic suppliers of uranium to the growing Argentine market. The Company is a member of the Grosso Group, a resource management group that has pioneered exploration in Argentina since 1993.

ON BEHALF OF THE BOARD

"Nikolaos Cacos"

Nikolaos Cacos, President, CEO and Director

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