

January 25, 2012

## **Blackdog Resources Ltd. Announces Completion of Buck Lake Cardium Horizontal Light Oil Well**

Blackdog Resources Ltd. ("Blackdog" or "the Company") (TSXV:DOG) is pleased to announce the successful completion of the fracture stimulation ("frac") process and flow testing of its cardium horizontal light oil well (the "Well") in the Buck Lake area of Alberta. The Company has a 15% working interest in the Well and in the 480 acres area of land the Well is situated on, subject to a 12% non-convertible gross overriding royalty interest.

During the 72 hour flow testing and flare period allowed by the regulatory authorities, the operator of the Well recovered substantially most of the frac oil used to stimulate the well. The Well is currently shut in for its mandatory two week pressure build-up test period. The operator of the Well is in the process of installing a pipeline to tie-in the Well and is equipping the site with a tank battery, pump jack and separator. Management of the Company expects the Well to be on production in early February, 2012 and intends to report light oil, natural gas and natural gas liquids production rates after the remaining frac oil is recovered.

The Company and its partners have also identified potential additional drilling locations on the land and, pending results from this first well, will determine the timing for additional wells to be drilled.

### About Blackdog

Blackdog Resources Ltd. is a junior oil and gas company focused on the production of light oil in SE Saskatchewan and Alberta. The Company currently has 27,166,212 common shares outstanding.

### FOR FURTHER INFORMATION CONTACT:

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Certain information regarding Blackdog in this news release, including management's assessment of the expected timing for the production at the Well, and Blackdog's future plans and operations, may constitute forward looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with pipeline construction and tie-in operations, general risks associated with oil and gas exploration, development, production, marketing and transportation, loss of markets, volatility of commodity prices, imprecision of reserve estimates, environmental risks, competition from other producers, unexpected decline rates in wells, wells not performing as expected, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Blackdog's

operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)). The forward-looking statements or information contained in this news release are made as of the date hereof and Blackdog does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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