

January 4, 2012

Blackdog Resources Ltd. Closes Non- Brokered Flow -Through Financing and Updates Buck Lake Operations

Blackdog Resources Ltd. (“Blackdog” or “The Company”) (TSXV:DOG) is pleased to announce that it closed the second tranche of its flow through financing (the “Private Placement”) on December 30, 2011. In aggregate, the Company issued 2,472,931 Common Shares on a “flow –through” basis under the *Income Tax Act* (Canada) (“Flow-Through Shares”) at a price of \$0.48 per share for gross proceeds of \$1,187,006.88. All Flow-Through Shares pursuant to the Private Placement are subject to a four-month hold period from the date of issuance.

In connection with the Private Placement, the Company paid certain eligible investment professionals an aggregate of \$58,012.25 in finder’s fees and issued 120,754 share purchase warrants (“Broker Warrants”), each such Broker Warrant exercisable for one common share of Blackdog at a price of \$0.48 per share for one year from the date of issue.

Proceeds from the Private Placement will be used to incur eligible flow-through expenditures to advance the Company’s light oil properties in Alberta including but not limited to its Pembina Horizontal Cardium play, Evi Slave Lake horizontal play and Leduc Reef D3 play.

The Company also announces that the completion and testing process on its horizontal cardium well at Buck Lake, Alberta has commenced. The well has been fracture stimulated and is currently undergoing a flow test period. The Company has a 15% working interest in the well and in the entire $\frac{3}{4}$ section of land the well is situated on, subject to a 12% non-convertible gross overriding royalty.

The Company further announces that during the month of December 2011, an aggregate of 118,963 broker warrants were exercised at \$0.36 per share for total proceeds to the Company of \$42,826.28. The broker warrants exercised were issued in connection with the Company’s non brokered Flow-Through Share private placement which closed in December, 2010.

Blackdog Resources Ltd. is a junior oil and gas company focused on the development of medium and light oil properties in South-East Saskatchewan and Alberta. The Company has 27,166,212 common shares outstanding.

FOR FURTHER INFORMATION PLEASE CONTACT;

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