

Blackdog announces farm-in agreement in Crystal/Pembina area

October 17, 2006

Blackdog Resources Ltd. (TSXV : “DOG”) is pleased to announce it has entered into an agreement with a private oil and gas company, (“Privco”) to participate in the drilling of an exploration gas well in the Crystal/Pembina area, near Winfield, Alberta.

Under the terms of the farm-in agreement, Blackdog will pay 25% of all costs to completion or abandonment to receive a 15% working interest in the section of land the agreement covers. The lease comprises all Petroleum & Natural Gas rights below Edmonton base to Jurassic. This multi zone well will targets zones in the Cretaceous, Jurassic and Mississippian formations. The well was spud on October 13, 2006 and is expected to reach total depth later this week. A successful well may lead to additional wells in offset sections. The total cost to drill and complete the well is approximately \$1.1 million. (\$275,000 net cost to Blackdog) Privco will act as the operator on this well.

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