



BLACKDOG RESOURCES LTD.

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Blackdog Resources Ltd. Announces Strong Q3, 2008 Results, Positive Outlook

Blackdog Resources Ltd. (“Blackdog” or “the Company”) (TSX Venture: DOG) is pleased to provide a summary of the financial results for the Company’s Q3, 2008 which ended on September 30, 2008.

Highlights of the Company’s Q3, 2008:

- Production Revenue of \$373,481 (2007- \$177,319) represented a 111% year over year increase
- Operating Netback of \$226,019 (2007- \$58,102) represented a 290% year over year increase
- Netback per Barrel of Oil Equivalent (“BOE”) \$63.09 (2007 -\$20.76) represented a 203% year over year increase
- General and Administrative Costs Decreased by 14% to \$66,229 (2007 - \$76,937)
- Funds Flow from Operations Rose to \$159,790 (2007 – \$18,835)
- Production Increased to 39 BOEPD (2007- 30 BOEPD), a 30% year over year increase
- Exited the quarter at Production of 80 BOEPD (90% light oil)

In addition, on August 25, 2008 the Company initiated the drilling of its first Horizontal Souris Valley well at Whitebear in Southeast, Saskatchewan. The Company owns a 60% Working Interest in joint lands with a Private Company (“Privco”) which owns a 40% interest and acts as the operator. The well was placed on production on September 25, 2008 at a rate of approximately 100 barrels of oil per day (“bopd”) (60 net to Blackdog) so this revenue and production contributed only a small amount to the Company’s Q3 results. The Company expects this well to provide strong production and revenue for Q4, 2008 and beyond. The partners have also identified additional drilling prospects on the joint lands that are expected to be drilled in 2009 pending an improvement in light oil prices.

On August 14, 2008 the Company closed two equity financings for Gross Proceeds to the Company of \$884,550. The financings were comprised of a 2,402,998 Flow through Common Share placement at \$0.35 and a 145,000 Common Share placement at \$0.30. Both placements were Non-Brokered and the Company paid minimal financing fees.

The strong cash flow during the Quarter also allowed the Company to pay down its Operating Line with a Canadian Chartered Bank from \$470,000 to \$360,000. The Company exited the quarter with in excess of \$900,000 Cash and positive Working Capital in excess of \$310,000.

David A. Corcoran, President of Blackdog commented, "We are very pleased with our quarterly results and our effective use of Cash and our effective Cost management to grow the Company through these turbulent times. Our Netback per Barrel of \$63.09 for the quarter clearly puts us at the high end of the industry average and our efficient approach to managing our Operations allows us to free up the maximum amount of cash possible to reinvest in the growth of our business. The successful drilling of our first Horizontal Well in royalty-friendly Saskatchewan will add significant reserves and cash flow to the Company and we look forward to expanding this play over the next several quarters. We feel Blackdog is very well positioned to take advantage of the extreme difficulties that will hit our peers in the junior oil and gas sector over the next few quarters and we feel that our strong cash flow and strong balance sheet will allow us to accelerate our growth through both drilling and acquisitions during this period."

Blackdog is a junior oil and gas company with producing assets in Alberta and Saskatchewan. The Company currently has 16,506,447 Common Shares Outstanding.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Forward Looking Statements: This news release contains certain forward-looking statements, including management's assessment of future plans and operations, and capital expenditures and the timing thereof, that involve substantial known and unknown risks, and uncertainties, certain of which are beyond the Company's control. Such risks and uncertainties include, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing, processing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoptions of new environmental laws and regulations) and changes in how they are interpreted and enforced, increases in competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market approvals of regulatory authorities. The company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive there from. Readers are cautioned that the Company'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). All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a results of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE may be misleading, particularly if used in isolation. A BOE conversion of 6 MCF: 1 bbl based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

