FORM 10-Q

Blackhawk Fund - BHWF

Filed: August 19, 2008 (period: June 30, 2008)

Quarterly report which provides a continuing view of a company's financial position

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2008

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________________ to _________________

Commission File No.: 000-49672

THE BLACKHAWK FUND
(Exact name of registrant as specified in its charter)

Nevada	**88-0408213**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1802 N. Carson Street, Suite 212-3018
Carson City, NV 89701
(Address of principal executive offices)

Issuer's telephone number: **(775) 887-0670**

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

APPLICABLE ONLY TO CORPORATE ISSUERS

As of August 14, 2008, 562,293,791 shares of our common stock were outstanding.

PART 1: FINANCIAL INFORMATION

ITEM 1 - CONDENSED FINANCIAL STATEMENTS

THE BLACKHAWK FUND
BALANCE SHEET

ASSETS		(unaudited) June 30, 2008		December 31, 2007
Cash	$	13,824		2,381
Prepaid financing costs		24,118		24,533
Total current assets		37,942		26,914
Fixed Assets-net		--		5,055
Property - held-for-sale/prepaid financing costs		1,774,900		1,774,900
TOTAL ASSETS	$	1,812,842	$	1,806,869
LIABILITIES AND STOCKHOLDERS' DEFICIT				
LIABILITIES				
Accounts payable and accrued liabilities	$	59,944	$	4,240
Note Payable		812,504		22,000
Notes payable-related party		46,509		827,828
Total current liabilities		918,957		854,068
Long term liability				
Note payable		1,936,000		1,936,000
Total Liabilities		2,854,957		2,790,068
Commitments and contingencies		-		-
STOCKHOLDERS' DEFICIT				
Preferred stock, $0.001 par value:				
Series A, authorized 500,000, 500,000 issued and outstanding		500		-
Series B, authorized 10,000,000, 10,000,000 issued and outstanding		10,000		10,000
Series C, authorized 20,000,000, 10,000,000 issued and outstanding		10,000		10,000
Common Stock,$0.001 par value, 4,000,000,000 shares authorized, 562,293,791 and 341,193,791 shares issued and outstanding at June 30, 2008 and December 31, 2007, respectively		562,294		341,194
Common Stock B, $0.001 par value 150,000,000 authorized, 30,000,000 issued and outstanding		30,000		30,000
Additional Paid in Capital		36,585,416		36,252,318
Common Stock Subscribed		--		(223,862)
Retained Deficit		(38,240,325)		(37,402,849)
Total Stockholders' Deficit		(1,042,115)		(983,199)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	1,812,842	$	1,806,869

See accompanying notes to financial statements.

THE BLACKHAWK FUND
STATEMENTS OF OPERATIONS
Three and Six Months Ended June 30, 2008 and 2007
(unaudited)

		Three Months Ended June 30,			Six Months Ended June 30,	
		2008	2007		2008	2007
Revenues	$	4,565	173,150		19,765	274,928
Cost of Sales		--	180,131		--	234,231
Gross Profit		4,565	(7,181)		19,765	40,697
OPERATING EXPENSES						
General & Administrative		34,156	11,027		171,746	169,976
Stock for Services		200	180,336		92,300	1,293,936
Interest Expense		548,778	33,013		593,195	83,021
Total Expenses		583,134	224,376		857,241	1,546,933
NET LOSS	$	(578,569)	(231,557)	$	(837,436)	(1,506,236)
Basic and Diluted Net Income (Loss) Per Common Share	$	(0.00)	(0.00)	$	(0.00)	(0.01)
Weighted Average Number of Shares Outstanding		562,293,791	201,007,864		520,582,621	143,516,136

See accompanying notes to financial statements.

Source: Blackhawk Fund, 10-Q, August 19, 2008

THE BLACKHAWK FUND
STATEMENTS OF CASH FLOWS
Six Months Ended June 30, 2008 and 2007
(unaudited)

	June 30, 2008	June 30, 2007
Cash Flows From Operating Activities		
Net Loss	$ (837,436)	$ (1,506,236)
Adjustments to reconcile net income (loss) to net cash		
provided by (used in) operating activities:		
Depreciation	505	--
Stock Issued for Services/option expense	92,300	1,293,936
Stock Issued for Interest Expense (Financing)	500,000	--
Changes in:		
Other assets (increase)	415	--
Increase (Decrease) in Accounts Payable	55,704	411
Net cash used in operating activities	(188,552)	(211,889)
Cash Flows From Investing Activities:		
Sale (Purchase) of Assets	4,550	(82,300)
Net cash provided by (used in) investing activities	4,550	(82,300)
Cash Flows From Financing Activities:		
Bank Overdraft	--	8,601
Proceeds from stock subscriptions and option exercises	186,260	80,000
Payments on notes payable - related party	(37,324)	--
Proceeds from notes payable - related party	46,509	193,840
Net cash provided by financing activities	195,445	282,441
Net Change in Cash	11,443	(11,748)
Cash Beginning of Period	2,381	11,748
Cash End of Period	13,824	--
Supplemental disclosures:		
Cash paid for:		
Interest	$ 70,507	$ 59,680
Income Taxes	$ -	$ -

See accompanying notes to financial statements.

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of The Blackhawk Fund ("Blackhawk" or the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in Blackhawk's Annual Report filed with the SEC on Form 10-KSB. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosure contained in the audited financial statements for 2007 as reported in the 10-KSB have been omitted.

NOTE 2 - STOCK BASED COMPENSATION

Prior to January 1, 2006, the Company accounted for stock based compensation under Statement of Financial Accounting Standards No. 123 Accounting for Stock-Based Compensation (FAS 123). As permitted under this standard, compensation cost was recognized using the intrinsic value method described in Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees (APB 25). Effective January 1, 2006, the Company has adopted Statement of Financial Accounting Standards No. 123 (Revised 2004), Share-Based Payment (FAS 123R) and applied the provisions of the Securities and Exchange Commission Staff Accounting Bulletin No. 107 using the modified-prospective transition method. Prior periods were not restated to reflect the impact of adopting the new standard. As a result of the adoption of FAS 123R, stock-based compensation expense recognized during the six months ended June 30, 2008 includes compensation expense for all share-based payments granted on or prior to, but not yet vested as of December 31, 2006, based on the grant date fair value estimated in accordance with the original provisions of FAS 123, and compensation cost for all share-based payments granted on or subsequent to January 1, 2006, based on the grant date fair value estimated in accordance with the provisions of FAS 123R.

Beginning on January 1, 2006, any future excess tax benefits derived from the exercise of stock options will be recorded prospectively and reported as cash flows from financing activities in accordance with FAS 123R. During the six months ended June 30, 2008, the Company recorded stock based consulting expense of $92,300, as determined under FASB 123R.

NOTE 3 - PROPERTY - HELD FOR SALE/FIXED ASSETS

In late March 2006, the Company purchased a condominium located in Carlsbad, California for $625,083. The Company has renovated the condominium and intends to resell it, market conditions permitting. Since the Company has completed the renovations and intends to sell the condominium, it has been designated as "held-for-sale." Therefore, it will be carried at the lower cost or fair value (net of expected sales costs) and will not be depreciated. Major improvements and renovations have been capitalized.

In June of 2006, the Company entered into a joint venture agreement to renovate and then sell a residential home located in Oceanside, California. The Company is a 50% joint venture partner, but has the right to exercise control. The Company was 100% responsible for improvement costs, with these costs to be reimbursed upon sale and any remaining profits to be split 50/50. The Company has valued the house at the original value of the liability assumed of $1,000,000. The intention on this property is identical to that described above under the description related to "held for sale" and depreciation applies. The Company has capitalized improvements on this property of $149,817.

NOTE 3 - PROPERTY - HELD FOR SALE/FIXED ASSETS (continued)

The Company had previously capitalized and depreciated computer equipment with a cost of $6,065. The equipment was assigned to the former controlling stockholder of the Company and is no longer carried as an asset.

NOTE 4 - COMMON STOCK

During the six month period ended June 30, 2008, the Company issued 221,100,000 shares of common stock under its stock option plan resulting in an expense of $92,300 and cash received of $186,260.

NOTE 5 - PREFERRED STOCK

Series A Preferred Stock

On April 24, 2008, the Company withdrew its certificate of designation establishing the Company's Series A Preferred Stock and filed a new certificate of designation for 500,000 shares of Series A Preferred Stock, par value $0.001 per share. Anytime after October 24, 2008, the Series A Preferred Stock is convertible based upon the average of the per shares market value of the Company's common stock during the 20 trading days immediately preceding a conversion date. In addition, upon the consummation of a bona fide sale third party sale by the Company of its securities resulting in gross proceeds of at least $1,000,000, the Series A Preferred Stock will automatically convert into the securities being sold in such offering. The Series A Preferred Stock has no voting rights, dividend rights, liquidation preference, redemption rights, or preemptive rights.

On April 24, 2008, the Company issued 500,000 shares of the newly designated Series A Preferred Stock as part of a financing transaction. See Note 6. The Company has valued the convertible shares using the Black-Scholes model and has recognized a financing expense equivalent to the stated value of the Series A Preferred Stock of $500,000.

Series B Preferred Stock

On April 24, 2008, the Company amended the certificate of designation establishing the Company's Series B Preferred Stock. Pursuant to this amendment, the Company's Series B Preferred Stock now contains on limitation on conversions such that no holder of Series B Preferred Stock can convert such shares into the Company's common stock if such conversion would result in the holder owning in excess of 4.99% of the Company's issued and outstanding common stock.

Series C Preferred Stock

On April 24, 2008, the Company amended the certificate of designation for its Series C Preferred Stock. Pursuant to the Amendment, on all matters submitted to a vote of the holders of the common stock, including, without limitation, the election of directors, a holder of shares of the Series C Preferred Stock shall be entitled to the number of votes on such matters equal to the product of (a) the number of shares of the Series C Preferred Stock held by such holder, (b) the number of issued and outstanding shares of the Company's common stock, on a fully-diluted basis, as of the record date for the vote, or, if no such record date is established, as of the date such vote is taken or any written consent of stockholders is solicited, and (c) 0.0000002.

NOTE 6 - NOTES PAYABLE/MORTGAGES PAYABLE

In conjunction with the purchase of the condominium described in Note 3 above, the Company executed a 30-year adjustable rate promissory note for $496,000. The initial interest rate on the note is 7.875%. Pursuant to the terms of the note, the Company is required to make interest-only payments for the first 10 years (first 120 payments). The initial monthly payments were $3,225 and have since been reduced to $2,273. The note payable is personally guaranteed by the Company's former president.

In conjunction with the joint venture property described in Note 3 above, the Company refinanced this note in July 2007 and assumed a 50% interest and corresponding promissory note debt of $1,440,000. Terms indicate that the first note is for $1,120,000 over 30 years, with interest only payments required for the first 10 years. The second note is carried for $320,000 with interest at 9.875% over 30 years, with interest only payments required for the first 10 years. Monthly amounts are presently $9,983. Both of the above notes are classified as long term notes payable.

On April 24, 2008, a note payable for $19,000 to a vendor was assumed by Angel Acquisition Corp., the former holder of the Company's Series C Preferred Stock.

On April 24, 2008, the Company issued, and the formerly related party accepted, a subordinated secured non-recourse note in the principal amount of $841,828, due October 24, 2008. The current balance on this note is $812,504. See Note 7.

On April 24, 2008, the Company and Terminus, Inc., as co-issuers, issued and sold to a single accredited investor: (i) a $550,000 12% secured promissory note and (ii) 500,000 shares of the Company's Series A Preferred Stock. To secure payment of the note, Terminus pledged the 10,000,000 shares of the Company's Series C Preferred Stock. The Company is considered a guarantor of the note, and accordingly, has treated the note as a contingent liability.

NOTE 7 - RELATED PARTY TRANSACTIONS

At March 31, 2008, the Company was indebted to a formerly related party for $801,616. Interest had been imputed at 6% per year. On April 24, 2008, the Company issued, and the formerly related party accepted, a subordinated secured non-recourse note in the principal amount of $841,828, due October 24, 2008. The note is secured by the real estate described in Note 3 above, but is subordinated to the notes described above. The lender's recovery for default on payment of this note is limited to limited solely to the real estate described above. The current balance on this note is $812,504.

During the six months ended June 30, 2008, the Company made payments totaling $65,000 to entities controlled by the former CEO and former CFO for consulting services.

During the six months ended June 30, 2008, Terminus, Inc., the holder of the Company's Series C Preferred Stock, has loaned approximately $45,600 to the Company. This loan is repayable upon demand.

NOTE 8 - GOING CONCERN

The Company has incurred significant losses, has a negative capital, and negative current ratio. These factors, among others, indicate that the Company may not be able to continue as a going concern. No adjustments have been made to the carrying value of assets and liabilities should the company not continue as a going concern.

Source: Blackhawk Fund, 10-Q, August 19, 2008

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis should be read in conjunction with our financial statements and related notes included in this report. This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The statements contained in this report that are not historic in nature, particularly those that utilize terminology such as "may," "will," "should," "expects," "anticipates," "estimates," "believes," or "plans" or comparable terminology are forward-looking statements based on current expectations and assumptions. Various risks and uncertainties could cause actual results to differ materially from those expressed in forward-looking statements. Please refer to the Risk Factors section of our Annual Report on Form 10-KSB for a description of these risks and uncertainties.

All forward-looking statements in this document are based on information currently available to us as of the date of this report, and we assume no obligation to update any forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

General

The Blackhawk Fund acquires and redevelops residential and commercial real estate for investment. Once we acquire a property, we redevelop and refurbish the properties, seeking to enhance the value of the properties. Once a property is refurbished, we seek to generate revenue by rental of the property, and we also seek to resell the properties if market conditions permit. We currently hold two properties in our real estate portfolio.

Historically, we have also operated a media and television production division. In this division, we have sought to manage and implement proprietary media properties, including cable television shows, infomercials, online video magazines, and DVDs. However, as discussed below, management has determined that the ongoing media and television production operations are not viable, and accordingly has determined to discontinue the media and television production operations.

Change of Control and Change in Management

On April 24, 2008, we entered into a stock purchase agreement with Terminus, Inc. and Palomar Enterprises, Inc. pursuant to which Terminus purchased 10,000,000 shares of our Series C Preferred Stock from Palomar for $363,000. As a result, the sale of the Series C Preferred Stock by Palomar to Terminus effectively transferred Palomar's control of our company to Terminus.

Concurrently, Steve Bonenberger resigned as our President and Chief Executive Officer, and Brent Fouch resigned as our Secretary and Chief Financial Officer. In connection therewith, the board of directors increased the number of authorized directors from two to three and appointed Frank Marshik to fill the newly created vacancy on the board. The board of directors then appointed Mr. Marshik as our President, Chief Financial Officer, and Secretary. Thereafter, Mr. Bonenberger and Mr. Fouch resigned as directors. Mr. Marshik, as the sole remaining director, appointed Terry Ross to fill one of the two vacancies resulting from these resignations.

On August 19, 2008, the board of directors reduced the number of authorized directors from three (3) to one (1). Concurrently therewith, Terry Ross resigned as a director. Mr. Ross' resignation was not due to any disagreements with The Blackhawk Fund on matters relating to its operations, policies, and practices.

Plan of Operation

Our new management determined that our company has incurred operating and net losses in each of the last two fiscal years, had a working capital deficit as of the end of the latest fiscal year and as of the latest fiscal quarter, and has a large accumulated deficit. Accordingly, new management has commenced an analysis of each of our two business lines to determine the viability of each line during the second and third quarters of 2008. Within each line of business, management has evaluated and is evaluating historical and projected costs in running the line, existing and potential revenue streams, and the availability of additional capital for expansion of the business line. In particular, with respect to the real estate business, management is evaluating our current real estate portfolio in light of current market conditions, both in the real estate markets and the credit markets. Upon completion of the analysis, management will determine whether to seek to expand the business line or to discontinue or divest of the division.

As of the date of this report, management has determined that, based on its analysis of the foregoing factors, the media and television production operations are not viable. Accordingly, management has determined to discontinue the media and television production operations. Management is continuing the evaluation of our real estate business, the existing real estate portfolio valuations, the existing and potential rental possibilities, the current market values, and the existing financing arrangements. In addition, in light of the distress in the real estate markets, management is looking at potential real estate acquisition opportunities that, if consummated, would increase and diversify our real estate portfolio. Management is also considering diversifying into additional lines of business. In all cases, management may seek to form one or more partnerships, enter into one or more joint ventures, or conduct one or more strategic acquisitions.

Critical Accounting Policies

The discussion and analysis of our financial conditions and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of financial statements requires managers to make estimates and disclosures on the date of the financial statements. On an on-going basis, we evaluate our estimates, including, but not limited to, those related to revenue recognition. We use authoritative pronouncements, historical experience, and other assumptions as the basis for making judgments. Actual results could differ from those estimates. We believe the following critical accounting policies affect our more significant judgments and estimates in the preparation of our consolidated financial statements. A summary of our critical accounting policies can be found in the notes to our annual financial statements included our Form 10-KSB for the year ended December 31, 2007.

Results of Operations

Basis of Presentation

The following table sets forth, for the periods indicated, certain unaudited selected financial data:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Revenues	$ 4,565	$ 173,150	$ 19,765	$ 274,928
Costs of Sales	--	180,131	--	234,231
General and administrative	34,156	11,027	171,746	169,976
Stock for services	200	180,336	92,300	1,293,936
Interest Expense	548,778	33,013	593,195	83,021
Operating income (loss)	$ (578,569)	$ (231,557)	$ (837,436)	$ (1,506,236)

Comparison of the three months ended June 30, 2008 and 2007

Net sales. Our revenues were $4,565 for the three months ended June 30, 2008, as compared to $173,150 for the three months ended June 30, 2007. This decrease resulted from lower demand for our media products and services which resulted in our decision to cease our media operations. The decrease also resulted from a lack of sales of any real estate properties held for development. Our revenues were generated from rental income from our real estate properties.

Cost of Sales. Our costs of sales were $0 for the three months ended June 30, 2008, as compared to $180,131 for the three months ended June 30, 2007, all of which resulted from our media operations.

General and administrative. General and administrative expenses increased to $34,156 for the three months ended June 30, 2008 from $11,027 for the three months ended June 30, 2007.

Stock/Options for Services. Expenses resulting from the issuance of our common stock and options to purchase our common stock decreased to $200 for the first three months ended June 30, 2008 from $180,336 for the comparable period in the prior fiscal year. This decrease resulted from a significant reduction in shares and options issued for services in the second quarter of 2008 as compared to the second quarter of 2007.

Interest. Interest expense decreased to $548,778 for the three months ended June 30, 2008 from $33,013 for the three months ended June 30, 2007. This increase resulted primarily from the issuance of 500,000 shares of Series A Preferred Stock, valued at $500,000, in connection with our change of control financing.

Net loss. We incurred an operating loss of $578,569 for the three months ended June 30, 2008, compared to a net loss of $231,557 for the three months ended June 30, 2007. The increase in net loss resulted primarily from the issuance of 500,000 shares of Series A Preferred Stock, valued at $500,000, in connection with our change of control financing, which was offset by a significant reduction in shares and options issued for services in the second quarter of 2008 as compared to the second quarter of 2007.

Comparison of the six months ended June 30, 2008 and 2007

Net sales. Our revenues were $19,765 for the three months ended June 30, 2008, as compared to $274,928 for the three months ended June 30, 2007. This decrease resulted from lower demand for our media products and services which resulted in our decision to cease our media operations. The decrease also resulted from a lack of sales of any real estate properties held for development. Our revenues were generated from rental income from our real estate properties and revenues from our former media operations.

Cost of Sales. Costs of sales were $0 for the six months ended June 30, 2008, as compared to $234,231 for the three months ended June 30, 2007, all of which resulted from our media operations.

General and administrative. General and administrative expenses increased to $171,746 for the six months ended June 30, 2008 from $169,976 for the six months ended June 30, 2007.

Stock/Options for Services. Expenses resulting from the issuance of our common stock and options to purchase our common stock decreased to $92,300 for the first six months ended June 30, 2008 from $1,293,936 for the comparable period in the prior fiscal year. This decrease resulted from a significant reduction in shares and options issued for services in the first two quarters of 2008 as compared to the first two quarters of 2007.

Interest. Interest expense increased to $593,195 for the six months ended June 30, 2008 from $83,021 for the six months ended June 30, 2007. This increase resulted primarily from the issuance of 500,000 shares of Series A Preferred Stock, valued at $500,000, in connection with our change of control financing.

Net loss. We incurred an operating loss of $837,436 for the six months ended June 30, 2008, compared to a net loss of $1,506,236 for the six months ended June 30, 2007. The reduction in net loss resulted primarily from a significant reduction in shares and options issued for services in the first two quarters of 2008 as compared to the first two quarters of 2007. The reduction was offset by the issuance of 500,000 shares of Series A Preferred Stock, valued at $500,000, in connection with our change of control financing

Liquidity and Capital Resources

We have financed our operations, debt service, and capital requirements through cash flows generated from operations and through issuance of debt and equity securities. Our working capital deficit at June 30, 2008 was $881,015, and we had cash of $13,824 as of June 30, 2008.

We used $188,552 of net cash in operating activities for the six months ended June 30, 2008, compared to using $211,889 in the six months ended June 30, 2007. The net loss of $837,436 was offset by non-cash expenses of $505 in depreciation and amortization, $92,300 of stock and options issued for services, $500,000 of stock issued for interest in connection with the change in control financing, an increase of $55,704 in accounts payable, and an increase of $415 in other assets.

We generated $4,550 net cash flows from investing activities for the six months ended June 30, 2008, whereas we used $82,300 in net cash flows from investing activities for the six months ended June 30, 2007. The cash flow generated from investing activities related to the disposition of certain equipment.

Net cash flows provided by financing activities were $195,445 for the six months ended June 30, 2008, compared to net cash flows provided by financing activities of $282,441 for the six months ended June 30, 2007. This increase in net cash provided by financing activities is due to proceeds from the exercise of stock options and receipt of stock subscriptions of $186,260 and proceeds from related party notes payable of $46,509. These cash flows were offset by repayment of $37,324 of related party debt.

Capital Requirements

Our financial statements for the fiscal year ended December 31, 2007 state that we have incurred significant losses, have a negative capital, and a negative current ratio. These factors, among others indicate that we may not be able to continue as a going concern. We believe that, as of the date of this report, in order to fund our plan of operations over the next 12 months, we will need to fund its operations out of cash flows generated from operations, from the borrowing of money, and from the sale of additional securities. It is possible that we will be unable to obtain sufficient additional capital through the borrowing of money or the sale of our securities as needed.

Part of our growth strategy may include diversifying into additional lines of business, forming one or more partnerships, entering into one or more joint ventures, or conducting one or more strategic acquisitions, which may require us to raise additional capital. We do not currently have binding agreements or understandings to acquire any other companies.

We intend to retain any future earnings to pay our debts, finance the operation and expansion of our business and any necessary capital expenditures, and for general corporate purposes.

Off-Balance Sheet Arrangements

On April 24, 2008, the Company and Terminus, Inc., as co-issuers, issued and sold to a single accredited investor: (i) a $550,000 12% secured promissory note and (ii) 500,000 shares of the Company's Series A Preferred Stock. To secure payment of the note, Terminus pledged the 10,000,000 shares of the Company's Series C Preferred Stock. The Company is considered a guarantor of the note, and accordingly, has treated the note as a contingent liability. In the event that Terminus defaults on the note, the Company will become unconditionally liable for repayment of all principal and interest then due under the note and will incur an expense for the full amount of all such principal and interest. The purpose of the Company's guarantee of the note was to facilitate the change in control transaction.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4 - CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports that we file under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure based on the definition of "disclosure controls and procedures" in Rule 13a-15(e). In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

At the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation, under the supervision and with the participation of our former management, including our former Chief Executive Officer and former Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our former Chief Executive Officer and our former Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that all material information required to be disclosed in this Quarterly Report on Form 10-Q has been made known to them in a timely fashion.

Our former Chief Executive Officer and former Chief Financial Officer have also evaluated whether any change in our internal controls occurred during the last fiscal quarter and have concluded that there were no material changes in our internal controls or in other factors that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, these controls.

PART II: OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

None.

ITEM 2 - CHANGES IN SECURITIES

(a) See our current report on Form 8-K filed April 30, 2008 with the SEC.

(b) None.

(c) None.

ITEM 3 - DEFAULT UPON SENIOR SECURITIES

(a) None.

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On May 6, 2008, stockholders holding a majority of the voting power of Blackhawk took action by written consent to amend and restate Blackhawk's articles of incorporation to effectuate the following: (i) reduce the minimum number of authorized directors from two (2) to one (1); (ii) grant authority to the board of directors to effectuate a stock split or reverse stock split without stockholder approval; (iii) elect not to be governed by certain provisions pertaining to "resident domestic corporations" under the Nevada Revised Statutes; and (iv) elect not to be governed by certain provisions relating to "issuing corporations" under the Nevada Revised Statutes. These stockholders also took action by written consent to adopt a resolution authorizing the board of directors to further amend Blackhawk's articles of incorporation to change the name of the company to a name to be determined by the board of directors in its sole discretion. The amendment to the articles of incorporation became effective on August 19, 2008. See Blackhawk's Definitive Information Statement on Schedule 14C filed with the Securities and Exchange Commission on July 21, 2008 for additional information.

ITEM 5 - OTHER INFORMATION

(a) On April 24, 2008, the Company issued a subordinated secured non-recourse note in the principal amount of $841,828, due October 24, 2008, to a formerly related party to satisfy a demand loan payable. The note is secured by certain real estate owned by Blackhawk, but is subordinated to senior loans secured by the real property. The lender's recovery for default on payment of this note is limited to limited solely to the real estate securing the note.

On August 19, 2008, the board of directors reduced the number of authorized directors from three (3) to one (1). Concurrently therewith, Terry Ross resigned as a director. Mr. Ross' resignation was not due to any disagreements with The Blackhawk Fund on matters relating to its operations, policies, and practices.

(b) None.

ITEM 6 - EXHIBITS

Item No.	Description	Method of Filing
3.1	Amended and Restated Articles of Incorporation	Filed herewith.
10.1	Subordinated Secured Non-Recourse Promissory Note	Filed herewith.
31.1	Certification of Frank Marshik pursuant to Rule 13a-14(a)	Filed herewith.
32.1	Chief Executive Officer and Chief Financial Officer Certification pursuant to 18 U.S.C. Sec. 1350 adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002	Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE BLACKHAWK FUND

August 19, 2008

/s/ Frank Marshik

Frank Marshik
President
(Principal Executive Officer and Principal Accounting Officer)

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
THE BLACKHAWK FUND

Frank X. Marshik hereby certifies the following:

I. He is the President and Secretary of The Blackhawk Fund, a Nevada corporation (the "Corporation").

II. The Articles of Incorporation of the Corporation shall be amended and restated to read in full as follows:

1. The name of the corporation is The Blackhawk Fund.

2. The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the laws of the State of Nevada.

3. The aggregate number of shares of all classes of capital stock which the corporation shall have authority to issue is Four Billion Fifty Million (4,050,000,000), consisting of (i) Four Billion (4,000,000,000) shares of common stock, par value $0.0001 per share (the "Common Stock"), and (ii) Fifty Million (50,000,000) shares of preferred stock, par value $0.0001 per share (the "Preferred Stock"). The Preferred Stock may be issued from time to time in one or more series. The board of directors is authorized to fix the number of shares of any series of Preferred Stock, to determine the designation of any such series and to determine or alter the rights, preferences, privileges, qualifications, limitations and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and, within the limits and restrictions stated in any resolution or resolutions of the board of directors originally fixing the number of shares constituting any series, to increase or decrease (but not below the number of shares of such series then outstanding) the number of shares of any such series subsequent to the issue of shares of that series.

4. The governing board of this corporation shall be known as directors. The initial authorized number of directors shall be one (1). The number of directors may from time to time be increased or decreased in such manner as shall be provided by the bylaws of this corporation.

5. The corporation shall have perpetual existence.

6. Cumulative voting shall not be permitted by the corporation.

7. In furtherance, and not in limitation of the powers conferred by statute, the board of directors is expressly authorized as follows:

(i) Subject to the bylaws, if any, adopted by the stockholders, to make, alter or amend the bylaws of the corporation.

(ii) To fix the amount to be reserved as working capital over and above its capital stock paid in, to authorize and cause to be executed mortgages and liens upon the real and personal property of this corporation.

(iii) By resolution passed by a majority of the whole board, to designate one or more committees, each committee to consist of one or more of the directors of the corporation, which, to the extent provided in the resolution or in the bylaws of the corporation, shall have and may exercise the powers of the board of directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name and names as may be stated in the bylaws of the corporation or as may be determined from time to time by resolution adopted by the board of directors.

(iv) When and as authorized by the affirmative vote of stockholders holding stock entitling them to exercise at least a majority of the voting power given at a stockholders' meeting called for that purpose, or when authorized by the written consent of the holders of at least a majority of the voting stock issued and outstanding, the board of directors shall have power and authority at any meeting to sell, lease or exchange all of the property and assets of the corporation, including its good will and its corporate franchises, upon such terms and conditions as its board of directors deem expedient and for the best interest of the corporation.

8. Meetings of stockholders may be held outside the State of Nevada, if the bylaws so provide. The books of the corporation may be kept (subject to any provision contained in the statutes) outside the State of Nevada at such place or places as may be designated from time to time by the board of directors or in the bylaws of the corporation.

9. The personal liability of a director or officer to the corporation or its stockholders for damages for breach of fiduciary duty as a director or officer shall be eliminated to the fullest extent permissible under Nevada law except for the following: (a) acts or omissions which involve intentional misconduct, fraud or a knowing violation of law; or (b) the payment of distributions in violation of Section 78.300 of the Nevada Revised Statutes.

If the Nevada Revised Statutes are hereinafter amended to authorize the further elimination or limitation of the liability of a director or officer, then the liability of a director or officer of the corporation shall be eliminated or limited to the fullest extent permitted by the Nevada Revised Statutes, so as amended.

Any repeal or modification of the foregoing provisions of Article 9 by the stockholders of the corporation shall not adversely affect any right or protection of a director or officer of the corporation existing prior to the date when such repeal or modification becomes effective.

10. This corporation reserves the right to amend, alter, change or repeal any provision contained in the articles of incorporation, in the manner now or hereafter prescribed by statute, or by the articles of incorporation, and all rights conferred upon stockholders herein are granted subject to this reservation.

11. At such time, if any, as the corporation becomes a "resident domestic corporation," as that term is defined in Section 78.427 of the Nevada Revised Statutes, the corporation shall not be subject to, or governed by, any of the provisions in Sections 78.411 to 78.444, inclusive, of the Nevada Revised Statutes, as may be amended from time to time, or any successor statute.

12. At such time, if any, as the corporation becomes an "issuing corporation," as that term is defined in Section 78.3788 of the Nevada Revised Statutes, this corporation shall not be subject to, or governed by any of the provisions in Sections 78.378 to 78.3793, inclusive, of the Nevada Revised Statutes, as may be amended from time to time.

13. The corporation may, by resolution or resolutions adopted by the board of directors and without obtaining approval of the stockholders of the corporation, increase or decrease the number of issued and outstanding shares of a class or series of its authorized capital stock held by each stockholder of record of such class or series without correspondingly increasing or decreasing the number of authorized shares of such class or series. The resolution may, but is not required to, also provide for an increase or decrease of the number of authorized shares of such class or series in either a corresponding or disproportionate ratio to the increase or decrease in the number of issued and outstanding shares of such class or series. The resolution may also provide for a change of the par value, if any, of the same class or series of the shares increased or decreased. An increase or decrease of the number of issued and outstanding shares of a class or series of authorized capital stock does not have to be approved by either (a) the vote of stockholders holding a majority of the voting power of the affected class or series, or (b) the vote of the holders of shares representing a majority of the voting power of any class or series whose preference or rights are adversely affected by the increase or decrease.

III. These Amended and Restated Articles of Incorporation have been duly approved by the board of directors of the Corporation as of May 6, 2008.

IV. The vote by which the stockholders holding shares in the Corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the Articles of Incorporation have voted in favor of these Amended and Restated Articles of Incorporation is 5,124,727,582.

V. The effective date of this filing is August 19, 2008.

/s/ Frank X. Marshik
Frank X. Marshik, President and Secretary

SUBORDINATED SECURED NON RESCOURSE PROMISSORY NOTE

$841,828 April 24, 2008

FOR VALUE RECEIVED, **THE BLACKHAWK FUND, a Nevada corporation** with an address of 1802 N. Carson Street, Suite 212, Carson City, Nevada 88701 (the "Borrower"), promise(s) to pay to the order of **PALOMAR ENTERPRISES, INC., a Nevada corporation** (together with any successor holder or holders of this Note, the "Lender") at its office at 120 Birmingham Drive, Suite 120-C, Cardiff, CA 92007, or such other place as Lender may designate, the principal sum of **EIGHT HUNDRED FORTY ONE THOUSAND EIGHT HUNDRED TWENTY EIGHT** Dollars ($841,828), or so much thereof as shall be advanced hereunder, together with interest thereon, as hereinafter set forth.

The outstanding principal balance of this Note, together with any accrued interest and other charges as may be due hereunder, shall be paid on October 24, 2008 (the "Maturity Date").

In the event that any payment due hereunder is not paid when due or upon a default under the deed of trust securing this Note (the "Deed of Trust") or under any other instrument executed by Borrower in connection with the loan evidenced by this Note (together with this Note and the Deed of Trust, the "Loan Documents") which default is not cured within the applicable grace period, if any, Lender, at its option, may declare immediately due and payable the entire outstanding balance of principal and interest, together with all other charges which Lender may be entitled.

The full amount of this Note is secured by the Deed of Trust, and is subject to all of the terms and provisions of the Deed of Trust. The Lender's recovery against the undersigned for failure to pay any amount owing hereunder when due shall be limited solely to the property that is subject to the Deed of Trust. Lender agrees that neither Borrower nor any stockholders, officers, or directors of Borrower shall be personally liable or have any personal liability in any other respect for any amounts due hereunder or under the other Loan Documents, including, without limitation, for any deficiency which may arise upon a foreclosure of the Deed of Trust or the liquidation of other collateral given to secure this Note; provided that this provision shall not diminish in any way the powers of Lender to foreclose the Deed of Trust.

Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed to be delivered on the earlier of (i) the date received, or (ii) the date of delivery, refusal, or non-delivery indicated on the return receipt, if deposited in a United States Postal Service depository, postage prepaid, sent registered or certified mail, return receipt requested, addressed to the party to receive the same at the address of such party set forth at the beginning of this Note, or at such other address as may be designated in a notice delivered or mailed as herein provided.

Lender agrees that the indebtedness evidenced by this Note is hereby expressly subordinated in right of payment to the prior payment in full of all the Company's Senior Indebtedness (as hereinafter defined). For purposes of this Note, “Senior Indebtedness” shall mean the principal of and unpaid interest on indebtedness relating to those certain properties set forth on Exhibit A attached hereto, including indebtedness owed to banks, insurance companies or other financial institutions regularly engaged in the business of lending money.

Lender agrees to pay all charges (including attorney’s fees) of Lender in connection with the collection and/or enforcement of this Note or any other Loan Document or in protecting or preserving the security for this Note, whether or not suit is brought against Borrower.

The failure of Lender at any time to exercise any option or right hereunder shall not constitute a waiver of Lender’s right to exercise such option or right at any other time.

Borrower and all endorsers and guarantors of this Note hereby jointly and severally waive presentment, demand, notice, protest and all other suretyship defenses generally and agree that (i) any renewal, extension or postponement of the time of payment or any other indulgence, (ii) any modification, supplement or alteration of any of the Borrower’s obligations undertaken in connection with this Note or any of the other Loan Documents, or (iii) any substitution, exchange or release of collateral or the addition or release of any person or entity primarily or secondarily liable, may be effected without notice to Borrower or any endorser or guarantor or Borrower’s obligations, and without releasing Borrower or such endorser or guarantor from any liability hereunder.

This Note shall be governed by, construed, and enforced in accordance with the laws of the State of California. If any provision of this Note is held to be invalid or unenforceable by a court of competent jurisdiction, the other provisions of this Note shall remain in full force and effect. If the payment of any interest due hereunder would subject Lender to any penalty under applicable law, then the payments due hereunder shall be automatically reduced to what they would be at the highest rate authorized under applicable law.

This Note is secured by a deed of trust and assignment of rents of real estate located at San Diego County, California, and recorded with San Diego County.

This Note shall have the effect of an instrument under seal.

Witness:

/s/ Marc A. Indeglia
Marc A. Indeglia

Borrower:

THE BLACKHAWK FUND

By: /s/ Steven Bonenberger
Name: Steven Bonenberger
Title: Pres + CEO

Exhibit A

All that certain real property located in the County of San Diego, State of California described below:

A CONDOMINIUM COMPOSED OF:

PARCEL NO. 1:

UNIT NO. 117 AS SHOWN AND DESCRIBED IN THE CONDOMINIUM PLAN; TRAMONTO, PHASE 2 (“PLAN”), WHICH PLAN WAS RECORDED ON OCTOBER 7, 1996, AS INSTRUMENT NO. 1996-0508542, IN THE OFFICIAL RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

PARCEL NO. 2:

AN UNDIVIDED 1/28TH FEE SIMPLE INTEREST AS A TENANT IN COMMON IN AND TO ALL OF THE REAL PROPERTY COMPRISING THE COMMON AREA (AS DEFINED IN THE SUPPLEMENTAL DECLARATION REFERRED TO ABOVE AS DEPICTED ON THE PLAN) OF LOTS 8, 9, 10 AND 17 OF CARLSBAD TRACT 90-09 (A), AVIARA AREA 5, UNIT 2, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP FILED ON SEPTEMBER 16, 1996 AS MAP NO. 13360, IN THE OFFICE OF THE SAN DIEGO COUNTY RECORDER.

PARCEL NO. 3:

NON-EXCLUSIVE EASEMENTS FOR ACCESS, INGRESS, EGRESS, USE, ENJOYMENT, DRAINAGE, ENCROACHMENT, SUPPORT, MAINTENANCE, REPAIRS, AND FOR OTHER PURPOSES, ALL AS DESCRIBED IN THE PROJECT DECLARATION AND SUPPLEMENTAL DECLARATION.

PARCEL NO. 4:

A NON-EXCLUSIVE EASEMENTS, IF APPLICABLE, FOR THE BENEFIT OF THE PRESENT AND FUTURE OWNERS OF PARCELS NO. 1 AND 2 ABOVE FOR ACCESS, MAINTENANCE AND DRAINAGE OVER, ON, ALONG AND ACROSS AN AREA OF THE ACCESS UNIT ADJACENT TO PARCEL NO. 1 AS SHOWN AND DELINEATED IN THE PROJECT DECLARATION AND THE SUPPLEMENTAL DECLARATION AND MORE FULLY DESCRIBED THEREIN.

PARCEL NO. 5:

A NON-EXCLUSIVE EASEMENT, IF APPLICABLE, FOR THE BENEFIT OF THE PRESENT AND FUTURE OWNERS OF PARCELS NO. 1 AND 2 ABOVE FOR INGRESS, EGRESS, AND DRIVEWAY PURPOSE OVER, ON, ALONG AND ACROSS AN AREA OF THE DRIVEWAY ACCESS EASEMENT AREA ADJACENT TO PARCEL NO. 1 AS SHOWN AND DELINEATED IN THE PROJECT DECLARATION AND THE SUPPLEMENTAL DECLARATION AND MORE FULLY DESCRIBED THEREIN.

EXCEPTING FROM PARCELS 1 THROUGH 5, ALL PREVIOUSLY UNRESERVED MINERALS, OIL, GAS, PETROLEUM, OTHER HYDROCARBON SUBSTANCES AND ALL UNDERGROUND WATER IN OR UNDER OR WHICH MAY BE PRODUCED FOR SUCH LOT(S) WHICH UNDERLIES A PLANE PARALLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF SUCH LOT(S) FOR THE PURPOSE OF PROSPECTING FOR, THE EXPLORATION, DEVELOPMENT, PRODUCTION, EXTRACTION AND TAKING OF SUCH MINERALS, OIL, GAS, PETROLEUM, OTHER HYDROCARBON SUBSTANCES AND WATER FROM SUCH LOT(S) BY MEANS OF MINES, WELLS, DERRICKS OR OTHER EQUIPMENT FROM SURFACE LOCATIONS ON ADJOINING OR NEIGHBORING LAND OR LYING OUTSIDE OF THE ABOVE-DESCRIBED LOT(S), IT BEING UNDERSTOOD THAT THE OWNER OF SUCH MINERALS, OIL, GAS, PETROLEUM, OTHER HYDROCARBON SUBSTANCES AND WATER, AS SET FORTH ABOVE, SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OR ANY PORTION THEREOF ABOVE SUCH PLANE PARELLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF SUCH LOT(S) FOR ANY PURPOSE WHATSOEVER.

Assessor’s Parcel No.: 215-770-14-20

B. Two parcels of property set forth below:

PARCEL 1:

THE NORTHEASTERLY 50 FEET OF LOT 12 IN BLOCK 2 OF STRAND TRACT ADDITION, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 936, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 8, 1904.

PARCEL 2:

AN EASEMENT FOR ROAD PURPOSES OVER THE WESTERLY 30 FEET OF THE EASTERLY 80 FEET OF LOTS 1 TO 12, INCLUSIVE, IN SAID BLOCK 2, TO BE USED JOINTLY BY GRANTOR AND GRANTEES HEREIN.

EXCEPTING FROM SAID LAND THAT PORTION THEREOF, IF ANY, HERETOFORE OR NOW LYING BELOW THE MEAN HIGH TIDE LINE OF THE PACIFIC OCEAN.

Assessor’s Parcel No.: 143-170-13-00

CERTIFICATION

I, Frank Marshik, certify the following:

1. I have reviewed this quarterly report on Form 10-Q of The Blackhawk Fund;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of The Blackhawk Fund as of, and for, the periods presented in this report;

4. The Blackhawk Fund's prior certifying officers were responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for The Blackhawk Fund and have done the following:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under their supervision, to ensure that material information relating to The Blackhawk Fund, including its consolidated subsidiaries, is made known to them by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of The Blackhawk Fund's disclosure controls and procedures and presented in this report the conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in The Blackhawk Fund's internal control over financial reporting that occurred during The Blackhawk Fund's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, The Blackhawk Fund's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to The Blackhawk Fund's auditors and the audit committee of The Blackhawk Fund's board of directors:

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect The Blackhawk Fund's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in The Blackhawk Fund's internal control over financial reporting.

/s/ Frank Marshik

August 19, 2008

Frank Marshik
President
(Principal Executive, Financial and Accounting Officer)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of The Blackhawk Fund, a Nevada corporation, (the "Company") on Form 10-Q for the period ending June 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Frank Marshik, Chief Executive Officer and Chief Financial Officer of the Company, certify the following pursuant to Section 18, U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Frank Marshik

Frank Marshik,
President
(Chief Executive Officer and
Chief Financial Officer)
August 19, 2008