

REPORT OF EXEMPT DISTRIBUTION

X 020937-2
S 118335
\$250,000.05
June 6, 2007

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Issuer information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office

Black Bull Resources Inc. ("Black Bull")
P.O. Box 698, 157 Water Street
Shelburne, NS B0T 1W0
(902) 875-1510

Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

Black Bull is a reporting issuer in British Columbia, Alberta and Ontario.

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- Bio-tech
- Financial Services
 - investment companies and funds
 - mortgage investment companies
- Forestry
- Hi-tech
- Industrial

- Mining
 - exploration/development
 - production
- Oil and gas
- Real estate
- Utilities
- Other (describe)

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Commission

Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

See attached.

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

June 6, 2007

Item 6: For each security distributed:

(a) describe the type of security,

43,333,333 common shares of Black Bull ("Common Shares") at a purchase price of \$0.15.

One compensation warrant was issued to the finder as consideration for its services (the "Broker Warrant"). The Broker Warrant will entitle the holder on exercise thereof from time to time to purchase common shares of Black Bull up to an aggregate of 2,400,000 common shares for \$0.15 until June 6, 2009.

(b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

43,333,333 Common Shares and 1 Broker Warrant.

The Broker Warrant entitles the holder thereof to purchase, from time to time, common shares of Black Bull up to an aggregate of 2,400,000 common shares for \$0.15 until June 6, 2009.

(c) state the exemption(s) relied on.

Sections 2.3(2), 2.10(2) and 2.33 of National Instrument 45-106.

Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) (Deemed price)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Ontario	19	0.15	4,499,999.85
British Columbia	2	0.15	250,000.05
Cayman Islands	1	0.15	1,500,000.00
United Kingdom	1	0.15	250,000.05
Total number of Purchasers	23		
Total dollar value of distribution in all jurisdictions (Canadian \$)			6,499,999.95

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold for.

Commissions and finder's fees

Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and

exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
PowerOne Capital Markets Limited, The Exchange Tower, Suite 2500, 130 King Street West, Toronto, Ontario M5X 1A9	\$355,000	1 Broker Warrant ¹	N/A	NI 45-106 s. 2.33 June 6, 2007	\$355,000

¹ The Broker Warrant entitles the holder thereof to purchase, from time to time, common shares of Black Bull up to an aggregate of 2,400,000 common shares for \$0.15 until June 6, 2009.

Item 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

See attached.

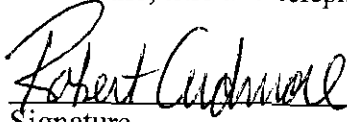
Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: June 14, 2007

Black Bull Resources Inc.
Name of issuer (please print)

Robert W. Cudmore, Chief Financial Officer (902)875-1510
Print name, title and telephone number of person signing


Signature

Item 10: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

Suzan Frazer
Legal Counsel
McInnes Cooper
(902) 444-8411

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.