

Blackhawk Fund
Form 8-K
September 28, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 26, 2006 (September 18, 2006)**

THE BLACKHAWK FUND

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

000-49672
(Commission
File Number)

88-0408213
(IRS Employer
Identification No.)

1802 N. Carson Street, Suite 212, Carson City, Nevada 89701
(Address of principal executive offices) (Zip Code)

(775) 887-0670
Registrant's telephone number, including area code

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On September 18, 2006, The Blackhawk Fund (the “Company”) entered into an Investment Agreement with Dutchess Private Equities Fund, II, L.P. (the “Investor”). Pursuant to this Agreement, the Investor shall commit to purchase up to \$10,000,000 of the Company’s common stock over the course of thirty-six (36) months. The amount that the Company shall be entitled to request from each purchase (“Puts”) shall be equal to, at the Company’s election, either (i) \$250,000 or (ii) 200% of the average daily volume (U.S. market only) of the common stock for the ten (10) trading days prior to the applicable put notice date, multiplied by the average of the three (3) daily closing bid prices immediately preceding the put date. The put date shall be the date that the Investor receives a put notice of a draw down by the Company. The purchase price shall be set at ninety-three percent (93%) of the lowest closing Best Bid price of the common stock during the pricing period. The pricing period shall be the five (5) consecutive trading days immediately after the put notice date. There are put restrictions applied on days between the put date and the closing date with respect to that particular Put. During this time, the Company shall not be entitled to deliver another put notice. Further, the Company shall reserve the right to withdraw that portion of the Put that is below seventy-five percent (75%) of the lowest closing bid prices for the 10-trading day period immediately preceding each put notice.

The Company is obligated to file a registration statement with the Securities and Exchange Commission (“SEC”) covering the shares of common stock underlying the Investment Agreement within 21 days after the closing date. In addition, the Company is obligated to use all commercially reasonable efforts to have the registration statement declared effective by the SEC within 90 days after the closing date.

Item 3.02 Unregistered Sales of Equity Securities

See Item 1.01 above.

The Company claims an exemption from the registration requirements of the Securities Act of 1933, as amended (the “Act”) for the private placement of these securities pursuant to Section 4(2) of the Act and/or Rule 506 of Regulation D promulgated thereunder since, among other things, the transaction does not involve a public offering, the Investor is an “accredited investor” and/or qualified institutional buyer, the Investor has access to information about the Company and its investment, the Investor will take the securities for investment and not resale, and the Company is taking appropriate measures to restrict the transfer of the securities.

Item 9.01 Financial Statements and Exhibits

**Regulation
S-K Number**

Document

- | | |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 10.1 | Investment Agreement, dated as of September 18, 2006, by and between The Blackhawk Fund and Dutchess Private Equities Fund, II, L.P. |
| 10.2 | Registration Rights Agreement, dated as of September 18, 2006, by and between The Blackhawk Fund and Dutchess Private Equities Fund, II, L.P. |

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 hereunto duly authorized.

THE BLACKHAWK FUND

September 26, 2006

By: /s/ Brent Fouch
Brent Fouch, Chief Financial Officer