



BUCKING HORSE  
ENERGY

**BUCKING HORSE ENERGY**

1100-609 West Hastings Street  
Vancouver, BC V6B 4W4  
Tel: (604) 331-3398  
Fax: (604) 688-4712

July 15, 2008

**BUCKING HORSE ENERGY INC.  
ANNOUNCES THIRD QUARTER FINANCIAL RESULTS**

Vancouver, British Columbia – Bucking Horse Energy Inc.'s (the "Bucking Horse" or the "Company") (TSX: BUC) announces the results of its third quarter consolidated financial statements for the period ending May 31, 2008. **Any reference in this news release to any dollar amount is in U.S. dollars unless otherwise stated.**

**SUMMARY**

- **Cash flow from operations increased to \$8,633,009**
- **EBITDA increased to \$11,282,359**
- **Total revenues increased to \$7,622,618**
- **Net income before taxes increased to \$7,130,443**

Bucking Horse's cash flow from operations for the nine-month period ended May 31, 2008 increased to \$8,633,009. Earnings before interest, taxes, depreciation and amortization ("EBITDA") <sup>(1)</sup> for the third quarter of 2008 increased to \$11,282,359 from \$189,537 in 2007. Total revenue for the third quarter of 2008 increased to \$7,622,618 compared to \$591,569 for the same period in 2007, while net income increased to \$5,986,943 compared to a loss of \$156,466 for the same period in 2007. Net income before taxes for the third quarter of 2008 increased to \$7,130,443 from a loss of \$156,466 for the same period in 2007 primarily as a result of increased revenue attributable to the Plan of Arrangement and acquisition of Gemini Energy Corp. whereby we indirectly acquired the Pinedale producing properties in Sublette County, Wyoming, U.S.A in March 2008.

Net production for the period ended May 31, 2008 attributable to the Pinedale producing properties totaled 712 million cubic feet ("MMcf") of natural gas and 6.2 thousand barrels of natural gas liquids, or 750 million cubic feet of natural gas equivalent ("MMcfe") averaging 8.1 MMcfe/day. Prices realized by the Company in the U.S. averaged \$8.92 per Mcf of natural gas and \$105 per barrel of natural gas liquids.

Direct operating expenses for the nine-month period ended May 31, 2008 increased to \$5,310,434 (\$1,395,262 in non-cash depreciation and depletion costs, \$2,747,441 in State taxes, \$77,199 in Canadian production royalties, and \$1,090,532 in operating expenses) compared to \$485,407 (\$236,555 in depreciation and depletion costs, \$nil in State taxes, \$156,727 in Canadian production royalties and \$92,125 in operating expenses) for the same period in 2007.

Other expenses and costs for the nine-month period ended May 31, 2008 decreased to a net credit of \$2,051,923 compared to \$262,628 in the same period 2007. General and administration expenses were

\$924,168 compared to \$62,121 in 2007. Foreign exchange gain increased to \$7,072,772 compared to a loss of \$42,613 in the same period in 2007. Interest expense increased to \$2,757,227 compared to \$109,448 for the same period in 2007.

Note <sup>(1)</sup> EBITDA is defined as earnings before interest, taxes, depreciation and amortization and other items. EBITDA is not a recognized measure under and is offered as a commonly used industry metric for comparative purposes only.

Reconciliation of cash flow from operations before change in net working capital	Nine Months Ended May 31	
	2008	2007
Net cash provided by operating activities	\$8,633,009	\$95,666
Accounts payable and accrued liabilities	—	—
Prepaid expenses	—	—
Accounts receivable	—	—
Income taxes	—	—
Cash flow from operations before change in net working capital	\$8,633,009	\$95,666

Reconciliation of EBITDA to net income	Nine Months Ended May 31	
	2008	2007
EBITDA	\$11,282,359	\$189,537
Less		
Depletion, depreciation and accretion	1,395,262	236,555
Interest on long-term debt	2,757,227	109,448
Income taxes	1,143,500	—
Net Income (loss)	\$5,986,370	(\$156,466)

Bucking Horse's 2007 Audited Financial Statements and Management Discussion and Analysis are available on SEDAR at [www.sedar.com](http://www.sedar.com).

**Bucking Horse Energy Inc. is a public oil and gas exploration, development and production company listed on the Toronto Stock Exchange with 23,061,713 shares issued. More information about Bucking Horse Energy Inc. can be found on its website.**

For further information please contact: Gordon Nielsen at 604-331-3398 or visit the Company website at [www.buckinghorseenergy.com](http://www.buckinghorseenergy.com)