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FOR IMMEDIATE RELEASE

BLACKHAWK BANCORP RETAINS THE INVESTOR RELATIONS COMPANY

CHICAGO, February 28, 2008 – Blackhawk Bancorp, Inc. (**OTCBB: BHWB**) and The Investor Relations Company today announced Blackhawk Bancorp has hired the company to assist in creating and implementing an investor relations program.

Blackhawk Bancorp, based in Beloit, Wisconsin, has seven banking locations and assets exceeding \$450 million. Blackhawk currently serves communities in southern Wisconsin and northern Illinois, including the counties of Rock, Boone, and Winnebago. Blackhawk reported 2007 earnings of \$1.03 per fully diluted share or \$2,291,000.

Based upon its closing market price of \$10.00 on February 19, 2008, Blackhawk had a market capitalization of approximately \$21.7 million.

“The Investor Relations Company’s assignment is to work closely with Blackhawk as we launch a corporate re-branding effort. Our relationship with IRC is opportune, as management is laying the foundation for several growth initiatives we believe will build shareholder value,” said Richard Bastian III, President and CEO.

IRC Chairman and CEO Sherwood Lee Wallace stated, “IRC has a long history assisting banks establish visibility and gain support in the financial markets. Blackhawk Bancorp has substantial growth opportunities in Rockford, Illinois and other demographically shifting and underserved markets. We look forward to working closely with Blackhawk’s management team to achieve their corporate objectives.”

Blackhawk Bancorp, Inc. is the parent company of Blackhawk State Bank, which operates seven office locations in south central Wisconsin and north Central Illinois, along the US 90 corridor from Rockford, Ill. to Beloit, Wis. Blackhawk’s locations Blackhawk serves individuals and small businesses, primarily with fewer than 200 employees. The company offers a variety of value-added consultative services to small businesses and their employees related to its banking products such as Health Savings Accounts and trust, estate and succession planning. The bank has received numerous accolades for its work with the fast-growing Hispanic population in its served markets.

The Investor Relations Company (www.tirc.com) is a 26-year-old IR consultancy based in Chicago, providing a full range of services nationally for small and medium size public companies with market values up to \$2 billion. The company’s Chairman, Sherwood Lee Wallace, is co-author of *New Dimensions in Investor Relations*, published by John Wiley & Sons, cited by industry specialists as the best textbook yet written on investor relations. It can be ordered from the publisher, from the National Investor Relations Institute or from IRC.

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