HALO COMMENCES GEOPHYSICAL TESTING OF DEEP TARGETS AT SHERRIDON

Toronto, Ontario, August 26, 2008 -- Lynda Bloom, President and CEO of Halo Resources Ltd. (TSX.V:HLO; FSE:HRL) is pleased to announce that the first phase of the Deep Target Initiative has been implemented at the Sherridon VMS Property, Manitoba. State-of-the-art geophysical survey equipment is being used for the first test of deeper conductive targets in the vicinity of the historical Sherridon West Mine. Approximately 8 million tonnes of copper-zinc ore were mined from the East and West Mines up to 1951 to a maximum depth of 300m. The West Mine had an average width of 4.7m, a length of 2409m and grades of 2.9% copper and 2.7% zinc (based on 1928 resource estimates).

Halo has recently confirmed the existence of a Cold/Lost Lake mineralized trend that is currently 1.5 km in length and contains two deposits totaling 360,000 tonnes of indicated resources, and 3,360,000 tonnes of inferred resources with grades similar to those of the West Mine ore (see August 19, 2008 press release). This trend is located 800 m east and parallel to the historic West Mine ore. While historical lateral mine cross-cut development extending east from the West Mine failed to intersect any significant mineralization, it came within 200 m of the Cold/Lost Lake trend (see figure 1) where Halo's drilling returned intersections of up to 1.4% copper and 8.2% zinc over 2.6m, at Cold Lake (see October 11, 2007 press release), and 4.4 m of 3% Copper and 8.9% Zinc at Lost Lake (see March 25, 2008 press release). The character and grades of this mineralization are noticeably similar to that from the historic mine and is of major significance to Halo's exploration strategy, as lithological evidence suggests that the two trends may be connected at depth (See Figure 2).

"As the Sherridon VMS Project advances, we are expanding the program of assessing the six known deposits to test for new larger and deeper ore bodies. We have been encouraged by HudBay's recent success at Lalor Lake, where testing of a geophysical target generated a 20 million tonne ore body that lies 800m from surface", says Lynda Bloom. "The technology exists to find deeper and potentially larger deposits at Sherridon where most of the drilling in the last 50 years has focused only on the top 150m."

Crone Geophysics has mobilized a geophysical field crew to Sherridon to carry out a sophisticated EM (electromagnetic survey) using superconducting quantum interference devices (SQUIDs) that produce an image of the subsurface down to very impressive depths. In terms of resolution for EM receivers, SQUIDs are unmatched and have the ability to discriminate good and excellent conductors at greater depths or under conductive cover. Three survey lines of 1,000m will be spaced 200m apart to cover the area between the West Mine and the trend of the Cold /Lost Lake deposits (see figure 1). It is postulated that the two deposits are hosted in similar lithologies that may be a fold-repeat of one another with the potential for a large mineralized zone occurring at depth along the fold hinge (see Figure 2).

An aggressive exploration program is underway for the summer/fall field season to examine high priority targets based on geophysics, mapping and structural interpretation. This will be followed up by a winter drill program to test these new high priority targets.

About the Sherridon VMS Property

The Sherridon VMS Property covers an area of over 20,876 hectares and hosts the past-producing Sherridon Mine that was operated by Sherritt Gordon Mines from 1933 to 1950 and produced 7.7 million tonnes of ore with recovered grades of 2.46%copper and 0.8% zinc. Results from an airborne geophysical survey completed in the summer of 2006 identified an additional 122 targets. Over 25,000 m of diamond drilling have been completed since November 2006 and drilling continues year-round. A NI43-101 compliant resource estimate for the Sherridon Jungle Lake Zone has been filed on SEDAR and resource calculations are planned for the nearby Cold, Lost and Bob Zones. The property is located only 70 km northeast of the mining and metallurgical complex in Flin Flon operated by HudBay Minerals

Inc. Future development of the property is facilitated by the presence of an all-weather road and railroad access as well as a power line and communications tower.

Figure 1

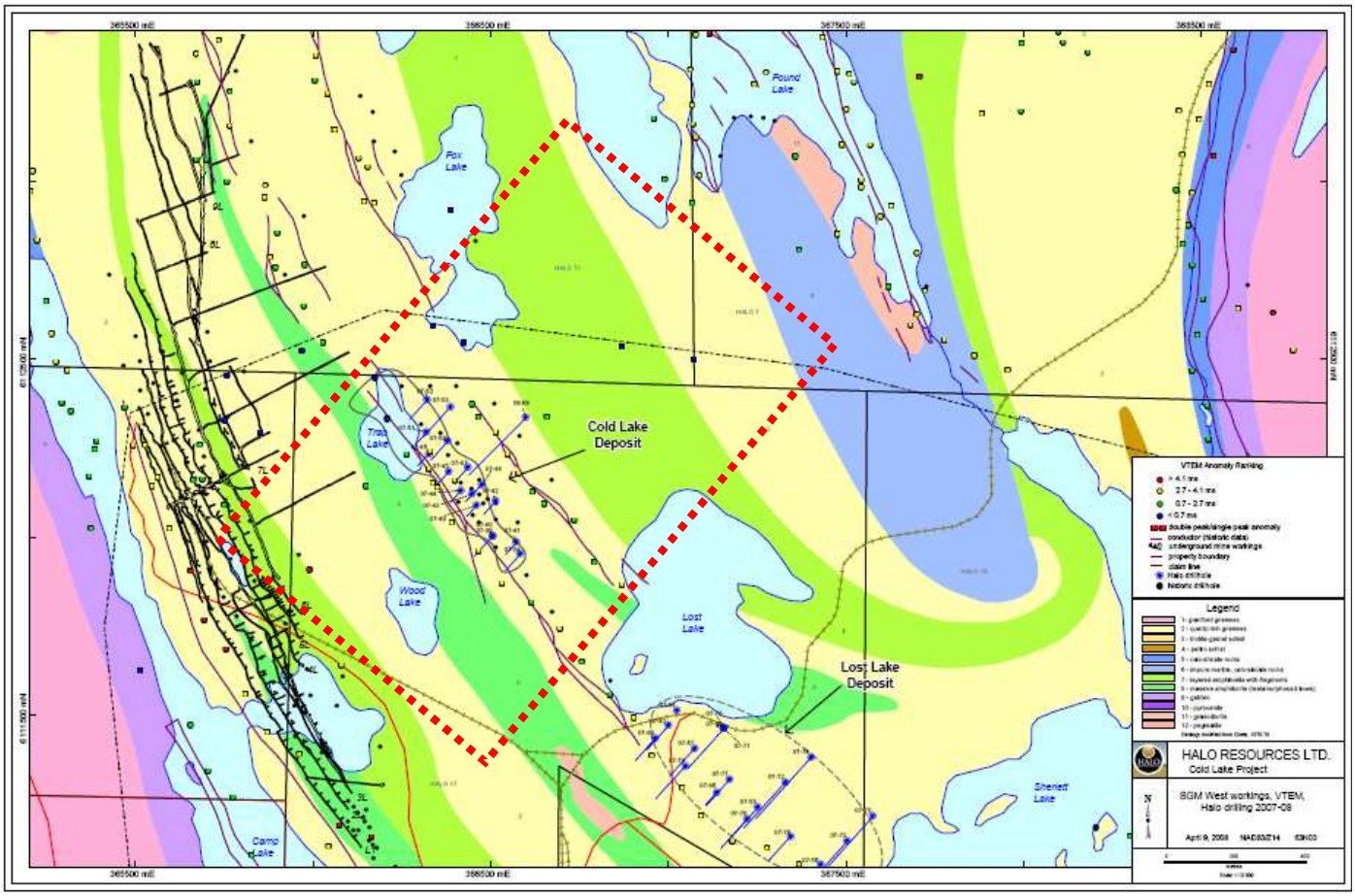
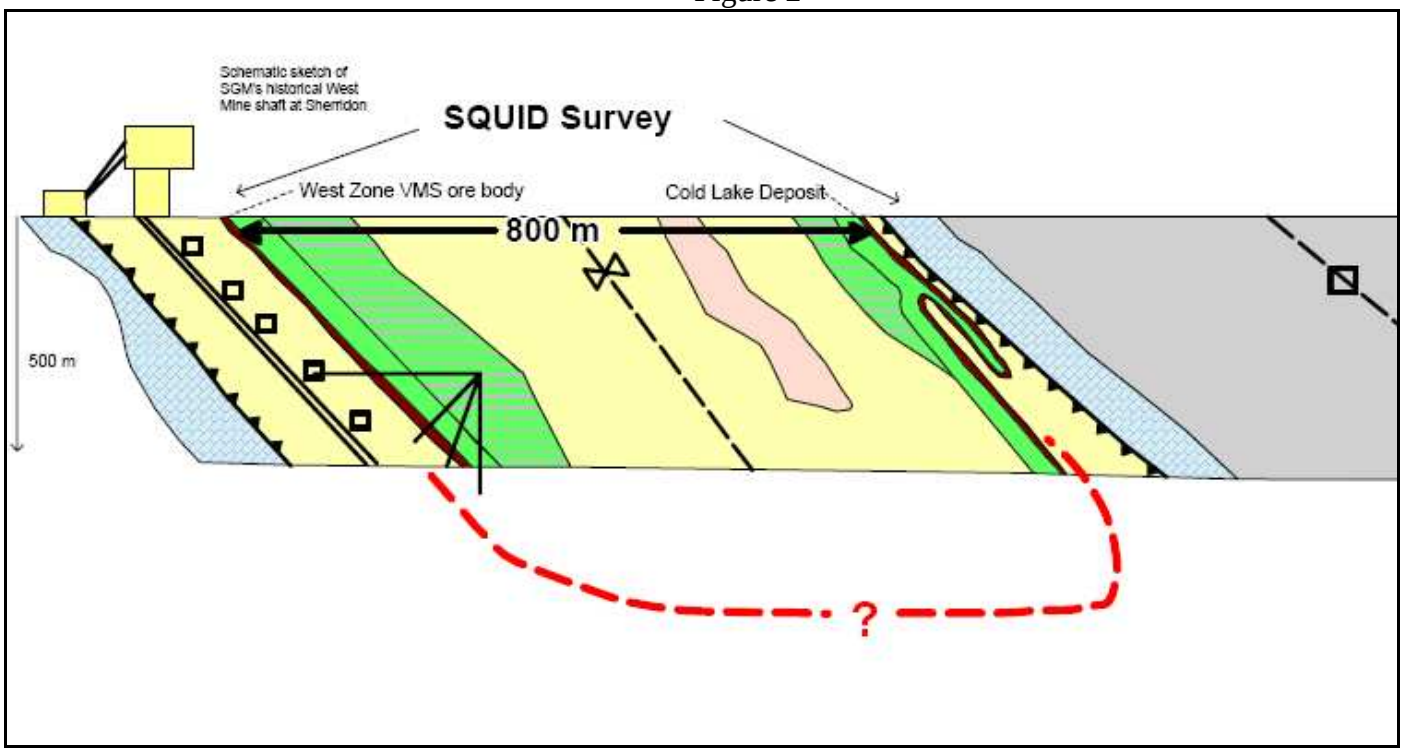


Figure 2



For further information, please contact:
Lynda Bloom, President & CEO or Marc Cernovitch, Chairman
Halo Resources Ltd.
Tel: 416-368-7045 Fax: 416-368-9805
Toll Free: 1-866-841-0068 lbloom@halores.com
www.halores.com

About Halo Resources Ltd.

Halo is a Canadian-based resource company focused on the acquisition of near production base and precious base metal deposits. Currently the Company owns or has an interest in 3 projects: Duport, which is an advanced stage gold project; Red Lake, which is a gold exploration project, and the Sherridon project that is a combination of mature and grassroots volcanogenic massive sulphide (VMS) copper, zinc and gold exploration opportunities. The Company is operated by an experienced management team and backed by a strong network of mining financiers. The Company's growth strategy is to develop a diversified portfolio of advanced mining projects.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. This news release presents "forward looking information" within the meaning of the applicable Canadian securities laws that involve inherent risks and uncertainties. Forward-looking information includes, but is not limited to, information with respect to the proposed private placement. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Halo to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks related to financings; risks related to the integration of acquisitions; risks related to joint venture operations; actual results of current exploration activities; actual results of current or future reclamation activities**;** conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and other minerals and metals; possible variations in ore reserves, grade or recovery rates; failure of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the management and officers of Halo Resources Ltd. believe that the expectations reflected in such forward-looking information are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information Halo does not undertake to update any forward-looking information referenced herein, except in accordance with applicable securities laws. Trading in the securities of Halo Resources Ltd. should be considered highly speculative.