



Emerald Bay Energy

For Immediate Release: Wednesday, September 1, 2010

EMERALD BAY CLARIFIES PROPOSED PRIVATE PLACEMENT

Calgary, Alberta, September 1, 2010 – Emerald Bay Energy Inc. (TSX Venture: EBY) (the "**Corporation**") today announced, further to the news release issued yesterday, that the Corporation's proposed non-brokered private placement offering of up to a maximum of 10,000,000 common shares ("**Common Shares**") of the Corporation at a subscription price of \$0.05 per Common Share for potential gross proceeds of \$500,000. The Common Shares are to be issued either as a Common Share or as a "flow-through share" pursuant to the *Income Tax Act* (Canada) (the "**Flow-Through Share**") at the subscriber's option (the "**Offering**").

The proceeds will be used for drilling wells, seismic activities and increasing working capital.

All of the Flow-Through Shares and Common Shares issued pursuant to the private placement are subject to a four-month hold period. There are no warrants associated with this proposed private placement.

Completion of the private placement is subject to the final approval of the TSX Venture Exchange.

Emerald Bay Energy Inc., based in Calgary, is a junior oil and gas producer with production properties in Western Canada and South Texas. The common shares of Emerald Bay trade on the TSX Venture Exchange under the symbol "EBY". Please visit our website at www.emeraldbayenergy.com.

For further information, please contact:

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If you would like to receive press releases via email please contact nadine@chfir.com. Please specify "Emerald Bay press releases" in the subject line.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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