



Emerald Bay Energy

For Immediate Release: October 27, 2010

EMERALD BAY CLOSES PRIVATE PLACEMENT

Calgary, Alberta, October 27, 2010 – Emerald Bay Energy Inc. (TSX Venture: EBY) (the "**Corporation**") today reported that the Corporation has closed the final tranche of its previously announced private placement. Pursuant to the private placement, an additional 500,000 units ("**Units**") were issued today (8,350,000 were issued under the first tranche on September 30, 2010) at a price of \$0.05 per Unit, for aggregate consideration of \$25,000 (\$417,500 was received on September 30, 2010). Each Unit consisted of one (1) common share of the Corporation (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) and one (1) share purchase warrant (the "**Warrant**"). Each Warrant shall entitle the holder thereof to purchase one (1) additional common share of the Corporation for a period of twelve months from the issuance of the Units at a price of \$0.12). Of the total 500,000 common shares issued under this tranche, an aggregate 400,000 were issued as Flow-Through Shares to a director of the Corporation.

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

All of the Flow-Through Shares, Common Shares and Warrants issued pursuant to the private placement are subject to a four-month hold period. 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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