



Emerald Bay Energy

For Immediate Release: June 17, 2011

EMERALD BAY ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Calgary, Alberta, Friday, June 17, 2011 – Emerald Bay Energy Inc. (TSX Venture: EBY) (the "**Corporation**") today reported that the Corporation has closed its previously announced private placement. Pursuant to the private placement, 4,000,000 units ("**Units**") were issued at a price of \$0.05 per Unit, for aggregate consideration of \$200,000. 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 full Warrant shall entitle the holder thereof to purchase one (1) additional common share of the Corporation for a period of 18 months from the issuance of the Units at a price of \$0.10) (the "**Offering**"). Of the total 4,000,000 common shares issued under this Offering, an aggregate 1,040,000 were issued as Flow-Through Shares. In connection with the Offering, an aggregate 1,000,000 Units (\$50,000) were subscribed for by two (2) directors and one (1) officer 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 4-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 lauren@chfir.com. Please specify "Emerald Bay press releases" in the subject line.

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