



Emerald Bay Energy

For Immediate Release: Tuesday, September 7, 2010

EMERALD BAY ANNOUNCES REVISED PRIVATE PLACEMENT

Calgary, Alberta, Tuesday, September 7, 2010 – Emerald Bay Energy Inc. (TSX Venture: EBY) (The "**Corporation**") today reported that the Corporation is proposing a **revised** non-brokered private placement offering of up to maximum of 10,000,000 common shares ("**Common Shares**") of the Corporation. The Common Shares are to be issued under a unit offering whereby up to a maximum of 10,000,000 units ("**Units**") at a subscription price of \$0.05 per Unit for potential gross proceeds of \$500,000. Each Unit shall consist of one (1) Common Share of the Corporation (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 subscribers option) and one (1) non-transferable 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 12 months from the issuance of the Units at a price of \$0.12) (the "**Offering**"). Pursuant to press releases on August 31, 2010 and September 1, 2010, the Corporation had proposed to only issue Common Shares without the Warrant component. This proposed offering will supersede and replace the prior announced offering.

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.

ABOUT EMERALD BAY

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 www.emeraldbayenergy.com.

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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.

Forward-Looking Statements

This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe," "estimate," "project," "expect", "plan", "intend", "anticipates", "projects", "potential" or similar expressions.. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Forward-looking statements are statements that are not historical facts.

Information inferred from the interpretation of drilling results may also be deemed to be forward looking statements, as it constitutes a prediction of what might be found to be present when and if a well is actually developed. BOE's may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 Bbl is based on energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. The reader is cautioned that assumptions used in the preparation of such information, which are considered reasonable by Emerald Bay at the time of preparation, may prove to be incorrect. Actual results achieved will vary from the information provided and the variations may be material. There is no representation by Emerald Bay that actual results achieved will be the same in whole or part as those indicated in the forward-looking statements. Forward-looking statements in this document include statements regarding the Company's exploration, drilling and development plans, the Company's expectations regarding the timing and success of such programs. In particular, forward-looking information in this news release includes, but is not limited to, statements with respect to: pipeline acquisitions and leasing; pipeline permits, pipeline construction, production estimates, drilling operations, completion operations, funding and development goals. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, level of activity, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Factors that could cause or contribute to such differences include, but are not limited to, fluctuations in the prices of oil and gas, uncertainties inherent in estimating quantities of oil and gas reserves and projecting future rates of production and timing of development activities, competition, operating risks, acquisition risks, liquidity and capital requirements, the effects of governmental regulation, adverse changes in the market for the Company's oil and gas production, dependence upon third-party vendors, and other risks detailed in the Company's periodic report filings with the applicable securities regulators.