



Emerald Bay Energy

For Immediate Release: October 11, 2011

Emerald Bay Closes Second Tranche of Private Placement

Calgary, Alberta, Tuesday, October 11, 2011 – Emerald Bay Energy Inc. (TSX Venture: EBY) (the "**Corporation**") today reported that the Corporation has closed the second and final tranche of its previously announced private placement. Pursuant to the second tranche of this private placement, 1,634,000 units ("**Units**") were issued at a price of \$0.05 per Unit, for aggregate consideration of \$81,700. Each Unit consisted of one (1) common share of the Corporation 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**").

The proceeds will be used for drilling wells, seismic activities, contributing to the Corporation debt facilities and increasing working capital.

All of the 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:

Emerald Bay President, Shelby D. Beattie, by telephone at (403) 262-6000 or by email at info@ebyinc.com.

Or

CHF Investor Relations:

Robin Cook, Senior Account Manager, (416) 868-1079 x228, robin@chfir.com.

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

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