

Attention Business Editors:
Regal announces update on private placement

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TRADING SYMBOL - REG

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CALGARY, March 10 /CNW/ - Regal Energy Ltd. ("Corporation") announces that the terms of its previously announced private placement (see press release dated February 10, 2009) have been amended and that it intends to offer a minimum of 100,000,000 units ("Units") at a subscription price of \$0.05 per Unit for minimum gross proceeds of \$5,000,000. Each Unit consists of one common share ("Common Shares") of the Corporation and one Common Share purchase warrant ("Warrants"). Each whole Warrant will have an exercise price of \$0.075 which will be adjusted upwards on an equivalent basis for the consolidation of the common shares of the Corporation on approximately 15 Common Shares for one Common Share basis pursuant to customary adjustment provisions (and if such consolidation of common shares does not occur prior to or on the first anniversary of issuance, each Warrant will have an exercise price of \$0.10, subject to customary adjustment provisions). The term of the Warrant shall be 36 months. If at any time from four months after closing, the daily volume-weighted average trading price of the Common Shares on the TSXV exceeds \$0.12 for 25 consecutive trading days and the Corporation gives written notice to the warrant holders within ten trading days of the end of such period, the expiry date will be reduced to 30 days from the giving of the notice. Completion of the private placement (the "Closing") is now scheduled to occur on March 27, 2009.

The Corporation has also agreed to grant performance warrants equal to 10% of the outstanding Common Shares (including those issued in the private placement) to the new management and other appointees to management, subject to completion of the Closing, approval of the TSXV and shareholder approval to be sought at the next annual general and special meeting of the Corporation. Each performance warrant will have an exercise price of \$0.05, which will be adjusted upwards on an equivalent basis for the proposed consolidation of the common shares of the Corporation on an approximately 15 Common Share for one Common Share basis (such proposed consolidation is also expected to be considered at the Meeting). The issuance of the performance warrants will also be subject to shareholder approval of this consolidation of the Common Shares, which the Corporation intends to seek at the next annual general and special meeting of the Corporation. The performance warrants will vest upon the Corporation achieving growth targets in net asset value per fully diluted share outstanding ("NAV per share"), as follows: 1/3 upon an increase in NAV per share of 25%, 1/3 upon an increase in NAV per share of 33 1/3%, and 1/3 upon an increase in NAV per share of 50%. NAV per share shall be calculated at Closing on the basis of utilizing the Corporation's Proven plus Probable reserves discounted at a 10% discount rate from the 2008 year end engineering report. Land value shall be determined by multiplying the Corporation's net undeveloped acreage by \$150.

Closing (including appointment of the new Board appointees and New Management) is subject to a number of conditions, including acceptance of the financing and change of management transaction by the TSXV.

The securities issued in the private placement will be subject to a hold period of four months.

The Corporation intends to pay a finders fee on certain subscriptions for the financing. The Corporation has also entered into a financial advisory agreement with Nova Bancorp Securities Ltd., a company related to Harry Knutson and Rick Wlodarczak who are directors of Regal, under which the Corporation has agreed to provide a fee in consideration of the provision of advisory services in connection with the private placement.

Regal Energy Ltd. is a junior Canadian energy company engaged in the exploration, acquisition, development and production of crude oil and natural gas in western Canada. Regal's main areas of focus currently are the Bakken oil play at Roncott, Saskatchewan, the Garrington natural gas property located in west central Alberta, the Eight Mile natural gas property located in northeast British Columbia and the Windfall property in Alberta. Regal is listed on the TSX Venture Exchange under the symbol "REG".

This news release will not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. Such securities have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States, or to a U.S. person, absent registration, or an applicable exemption therefrom.

Advisory Respecting Forward-Looking Statements:

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "confident", "might" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to: (i) completion of the private placement including Regal's ability to raise capital and its ability to obtain all necessary regulatory relief from applicable securities regulatory authorities, including the TSX Venture Exchange; (ii) the appointment of the New Management, and (iii) other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations or performance. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward-looking statements. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements.

The foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking information and statements contained in this news release speak only as of the date of this news release, and Regal assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

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Neither the 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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CNW 20:52e 10-MAR-09

