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Ltd.**

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**For Immediate Release
Calgary, Alberta**

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(TSX Venture Exchange: "REG")**

REGAL ENERGY LTD. ANNOUNCES SECOND QUARTER 2009 RESULTS

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CALGARY, ALBERTA, May 29, 2009 – Regal Energy Ltd. ("Regal" or the "Company") announces that it has filed its unaudited interim financial statements and management discussion and analysis as at and for the three and six months ended March 31, 2009.

On March 31, 2009, the last day of the most recently completed quarter, the Company successfully completed a private placement financing consisting of 277,500,000 units at \$0.05 per unit for gross proceeds of \$13,875,000. Under the terms of the financing, each unit consisted of one common share and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share at a price of \$0.075, subject to adjustment in certain circumstances. The Company has applied a portion of the net proceeds from the financing to repay its bank debt and a majority of its accounts payable, thereby reducing certain liquidity concerns which would have restrained the Company's future growth.

In conjunction with the March 31, 2009 private placement, Hugh G. Ross and Michael H. Halvorson were appointed to the Company's board of directors, while Hugh Mogensen and Jake Pronk resigned. Mr. Ross also replaced Curtis A. Hartzler as President and CEO; Ketan Panchmatia was appointed VP Finance and CFO; Greg Groten was appointed VP Exploration; and Jack Lane was appointed VP Operations. Subsequent to March 31, 2009, Julian Din was appointed VP Business Development.

A summary of financial and operational results for the three and six month periods ended March 31, 2009, along with the comparative periods, are outlined in the following table:

	Three months ended March 31		Six months ended March 31	
	2009	2008	2009	2008
Financial (000s, except per share amounts)				
Revenue	\$911	\$798	\$2,163	\$1,490
Funds flow from (used in) operations	(1,379)	10	(1,661)	(52)
per share – basic and diluted	(0.01)	0.00	(0.01)	(0.00)
Net loss	9,147	416	10,508	914
per share – basic and diluted	0.06	0.01	0.07	0.02
Capital expenditures, net	220	(40)	1,600	1,350
Working capital (deficit)	6,298	(3,787)	6,298	(3,787)
Weighted average shares outstanding	153,134	48,138	151,575	48,138

	Three months ended March 31		Six months ended March 31	
	2009	2008	2009	2008
Production				
Oil & liquids (bbls/d)	75	33	83	36
Gas (mcf/d)	1,385	840	1,371	845
Oil equivalent (boe/d)	306	173	311	176
Average realized prices				
Oil & liquids (\$/bbl)	39.72	80.39	45.38	75.39
Gas (\$/mcf)	5.14	7.29	5.93	6.45
Oil equivalent (\$/boe)	33.05	50.73	38.18	46.14

The financial results for the three and six months ended March 31, 2009 were impacted to a large degree by a \$7 million ceiling test impairment provision; \$575 thousand in severance expenses associated with the management change; and a \$200 thousand write-down of accounts receivable.

Going forward, the new management team plans on using the Company's significantly improved financial position, which includes positive working capital of \$6.3 million and a \$3.5 million unutilized credit facility, to capitalize on accretive corporate and asset acquisitions. Regal's corporate plan is to focus the majority of its efforts in the near term on acquiring production and reserves at attractive valuations; consolidating areas of interest; and exploiting lower risk, shallower depth reservoirs. The new management team believes that the Company is now in a position to strategically capitalize on the significant opportunities for growth currently present in the junior oil and gas sector. With no debt and positive working capital, the Company believes that it is better positioned than ever to pursue transactions expected to result in accretive and profitable growth.

The full text of the March 31, 2009 interim financial statements and associated MD&A can be found on the Company's website at www.regalenergy.ca and on SEDAR at www.sedar.com.

NON-GAAP FINANCIAL MEASUREMENTS

Included in this press release are references to certain financial measures commonly used in the oil and gas industry, such as funds flow from operations and operating netbacks. These measures have no standardized meanings, are not defined by Canadian generally accepted accounting measures ("GAAP"), and accordingly are referred to as non-GAAP measures. These supplemental measures are used by management to assess operating results between periods and between peer companies as they provide an indication of the results generated by the Company's principal business activities before the consideration of how these activities are financed or how the results are taxed.

Regal determines funds flow from operations as cash provided by operating activities prior to changes in non-cash working capital items. Funds flow from operations has been presented for information purposes only and should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with GAAP. The Company considers funds flow from operations to be a key measure as it demonstrates the Company's ability to generate the cash necessary to repay debt and to fund future growth through capital investment. The determination of Regal's funds flow from operations may not be comparable to similarly titled measures reported by other companies.

Operating netbacks are calculated by taking production revenue and deducting royalty and operating expenses. Regal's reported amounts may not be comparable to similarly titled measures reported by other companies. These terms should not be considered an alternative to, or more meaningful than, cash provided by operating, investing and financing activities or net income as determined by Canadian GAAP as an indicator of the Company's performance or liquidity.

OTHER MEASUREMENTS

Reported production represents Regal's ownership share of sales before the deduction of royalties. Where amounts are expressed on a barrel of equivalent ("boe") basis, natural gas has been converted at a ratio of six thousand cubic feet to one boe. This ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Boe's may be misleading, particularly if used in isolation. References to natural gas liquids ("liquids") include condensate, propane, butane and ethane and one barrel of liquids is considered to be equivalent to one boe.

ADVISORY REGARDING FORWARD LOOKING STATEMENTS

Certain disclosures set forth in this press release constitute forward-looking statements. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believes", "budget", "continue", "could", "estimate", "forecast", "intends", "may", "plan", "predicts", "projects", "should", "will" and other similar expressions. All estimates and statements that describe the Company's future, goals, or objectives, including Management's assessment of future plans and operations, may constitute forward-looking information under securities laws. Forward-looking statements involve known and unknown risks and uncertainties which include, but are not limited to: exploration, development and production risks; assessments of acquisitions; reserve measurements; availability of drilling equipment; access restrictions; permits and licenses; aboriginal claims; title defects; commodity prices; commodity markets, transportation and marketing of crude oil, liquids and natural gas; reliance on operators and key personnel; competition; corporate matters; funding requirements; access to credit and capital markets; market volatility; cost inflation; foreign exchanges rates; general economic and industry conditions; environmental risks; Kyoto protocol; and government regulation and taxation.

Forward-looking statements relate to future events and/or performance and although considered reasonable by Regal at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated in the statements made. Regal does not undertake any obligation to publicly update forward-looking information except as required by applicable securities law.

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