



PETROBANK

STRENGTH IN OUR RESOURCES

PRESS RELEASE

**PETROBANK NOTEHOLDERS CONVERT 100% OF OUTSTANDING
CONVERTIBLE NOTES**

Calgary, Alberta – April 23, 2010 – Petrobank Energy and Resources Ltd. (“**Petrobank**”) (TSX:PBG) is pleased to announce that all holders (“**Noteholders**”) of Petrobank’s convertible notes (“**Notes**”) due July 10, 2015 have converted their Notes to common shares of Petrobank in accordance with such Noteholders’ existing conversion right and the previously announced early conversion period (“**Early Conversion Period**”). The amount of Notes converted to common shares pursuant to the Early Conversion Period represents 100% of the previously outstanding Notes. An aggregate of US\$27.4 million was paid and 3.9 million common shares of Petrobank were issued to Noteholders in connection with the Early Conversion Period.

The transaction allows Petrobank to strengthen our balance sheet, enhance liquidity and increase available cash flow that can be dedicated to our Heavy Oil Business Unit expansion plans. The Early Conversion Period process was managed for Petrobank by ABG Sundal Collier Norge ASA.

***Petrobank Energy and Resources Ltd.** is a Calgary-based oil and natural gas exploration and production company with operations in western Canada and Latin America. The Company operates high-impact projects through three business units and a technology subsidiary. The Canadian Business Unit, operated by Petrobank’s 58% owned TSX-listed subsidiary, PetroBakken Energy Ltd. (TSX:PBN), is a premier light oil production company combining, high growth, long-life Bakken reserves and production with legacy conventional light oil assets, delivering industry leading operating netbacks, strong cash flows and production growth. PetroBakken is applying leading edge technology to a multi-year inventory of Bakken and Cardium light oil development locations, along with a significant inventory of opportunities in the Horn River and Montney gas resource plays in northeast BC. PetroBakken’s strategy is to deliver accretive production and reserves growth, along with an attractive dividend yield. The Latin American Business Unit, operated by Petrobank’s 66% owned TSX listed subsidiary, Petrominerales Ltd. (TSX:PMG), is a Latin America-based exploration and production company producing oil in Colombia with 15 exploration blocks covering a total of 1.9 million acres in the Llanos and Putumayo Basins and five exploration blocks in Peru covering a total of 9.4 million gross (5.2 million net) acres in the Ucayali and Titicaca Basins. Whitesands Insitu Partnership, a partnership between Petrobank and its wholly-owned subsidiary Whitesands Insitu Inc., owns 75 net sections of oil sands leases in Alberta, 36 sections of oil sands licenses in Saskatchewan and operates the Whitesands project which is field-demonstrating Petrobank’s patented THAI™ heavy oil recovery process. THAI™ is an evolutionary in-situ combustion technology for the recovery of bitumen and heavy oil that integrates existing proven technologies and provides the opportunity to create a step change in the development of heavy oil resources globally. THAI™ and CAPRI™ are registered trademarks of Archon Technologies Ltd., a wholly-owned subsidiary of Petrobank.*

FOR FURTHER INFORMATION PLEASE CONTACT:

John D. Wright, President and Chief Executive Officer,
Chris J. Bloomer, Senior Vice President and Chief Operating Officer, Heavy Oil, or
Corey C. Ruttan, Senior Vice President and Chief Financial Officer
Telephone: 403.750.4400



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Suite 1900, 111 – 5th Avenue S.W. - Calgary, Alberta T2P 3Y6 - 403.750.4400 - 403.266.5794

E-mail: ir@petrobank.com - Website: www.petrobank.com

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