



PRESS RELEASE

PETROBAKKEN COMPLETES PLAN OF ARRANGEMENT WITH TRISTAR

CALGARY, Alberta - October 1, 2009 – PetroBakken Energy Ltd. (“PetroBakken” or the “Company”) (TSX: PBN), Petrobank Energy and Resources Ltd. (“Petrobank”) (TSX:PBG), and TriStar Oil & Gas Ltd. (“TriStar”) (TSX:TOG) are pleased to announce the closing of the plan of arrangement (“Arrangement”) whereby the companies have completed a strategic combination of TriStar and Petrobank’s Canadian Business Unit (the “Transaction”). The combination has resulted in PetroBakken, a new publicly listed company, that is a premier, Bakken-focused, light oil exploration and production company. It is anticipated that the PetroBakken shares will commence trading on the Toronto Stock Exchange (“TSX”) under the symbol “PBN”, on or about October 6, 2009.

The Arrangement was approved at the special meeting of TriStar shareholders held on September 30, 2009 and by the Court of Queen’s Bench of Alberta on September 30, 2009. Approximately 99.97% of the votes cast by the TriStar shareholders present at the meeting in person or by proxy voted in favour of the special resolution to approve the Arrangement. Further, the ordinary resolution to approve the share based compensation plans of PetroBakken was approved.

In accordance with the maximum amount of Share Consideration and Cash Consideration permitted pursuant to the Arrangement, 67.48% of TriStar shareholders elected the Share Consideration option and will receive \$1.3416 cash and a pro-rated amount of PetroBakken shares equal to 0.4851 of a PetroBakken share for each TriStar share held, 13.12% of TriStar shareholders elected the Cash Consideration option and will receive \$14.75 per TriStar share held. The remaining 19.40% of the TriStar shareholders will receive \$4.7503 cash and 0.3617 of a PetroBakken share for each TriStar share held. TriStar shares will continue to trade on the TSX until such time as the PetroBakken shares commence trading on the TSX, at which time the TriStar shares will be de-listed. Those who acquire TriStar shares during this period will receive \$4.7503 cash and 0.3617 of a PetroBakken share for each TriStar share held.

The Transaction

Petrobank capitalized PetroBakken with its Canadian Business Unit assets. In return, Petrobank received 109.8 million shares of PetroBakken which represents 64% of PetroBakken’s shares outstanding. Pursuant to the Arrangement, PetroBakken acquired all the outstanding shares of TriStar, with TriStar shareholders receiving, in the aggregate, approximately \$584.5 million in cash and 61.8 million shares of PetroBakken, representing 36% of PetroBakken’s shares outstanding.

Advisors

TD Securities Inc. acted as sole financial advisor to Petrobank and PetroBakken for the Transaction. Haywood Securities Inc., Merrill Lynch Canada Inc., and UBS Securities Canada Inc. acted as strategic advisors to Petrobank and PetroBakken.

Macquarie Capital Markets Canada Ltd. and BMO Capital Markets acted as financial advisors to TriStar. CIBC World Markets Inc., GMP Securities L.P., and National Bank Financial Inc. acted as strategic advisors to TriStar.

FirstEnergy Capital Corp. and TD Securities Inc. have agreed to manage the sales process for PetroBakken’s Alberta assets.

Key Attributes of PetroBakken

PetroBakken combines significant, high growth, long-life Bakken reserves and production with legacy conventional light oil assets, which provide high netbacks and a low production decline profile. PetroBakken is a premier Bakken player in Canada with a greater proportion of its production coming from the Bakken than any other material producer, and represents a compelling new investment opportunity for investors. In addition, the Company has significant future development opportunities in the Horn River and Montney gas resource plays in northeast BC that will add long term growth to PetroBakken's attractive light oil position. After the anticipated sale of the majority of Company's Alberta-based assets, PetroBakken will have the following key attributes:

- 2009 total Company exit production greater than 37,000 boepd (after the planned Alberta asset dispositions), more than 95% light oil.
- More than 27,000 boepd from the Bakken (greater than 70% of total Company exit 2009 production).
- Significant land inventory of over 1.0 million net acres with over 800,000 net acres in southeast Saskatchewan, making PetroBakken the single largest landholder in this region. Of this, over 280,000 net acres (440 net sections) are located in the Bakken play fairway with significant further exposure to Bakken exploration activity, including 80,000 net acres in Montana.
- Further reserve enhancement capabilities on 110 net sections of existing producing Bakken acreage.
- More than 2,000 development drilling locations, including over 1,300 Bakken locations.
- Industry leading operating netbacks in excess of \$57.00/boe based on US\$75.00 WTI.
- Expected operating costs of approximately \$8.00/boe.
- Annualized 2009 exit rate cash flow of more than \$700 million based on US\$75 WTI oil price and 2009 exit production.
- 2010 capital budget of approximately \$550 million based on a US\$75 WTI oil price.
- Initial dividend of \$0.96 per share per annum, payable monthly, representing a payout ratio of 23% based on run-rate cash flow.
- Excellent financial flexibility with a proforma debt to cash flow ratio of less than one times, following contemplated Alberta-based asset dispositions.
- 171.8 million PetroBakken shares outstanding.
- An industry leading technical team, with resource-play execution expertise gained and refined through the drilling and completion of more than 450 horizontal wells with multi-stage fracs.

PetroBakken Operational Update

The Petrobank and TriStar teams significantly increased activity during the third quarter and PetroBakken now has 12 rigs currently working in the Bakken. Seven of the twelve rigs are now exclusively drilling bilateral horizontal wells. A bilateral well has two horizontal legs from one vertical well bore, and each leg will receive 15-stage fracture stimulations for a total of 30 fracture stimulations per well. One of the 12 rigs is working on horizontal re-entries of our existing producing wells. These re-entries will add a second horizontal leg adjacent and parallel to the existing horizontal well bore. Each horizontal re-entry will receive a 15-stage fracture stimulation and the well will be immediately placed back on production. The increased activity associated with our new drilling and completions strategy has resulted in a backlog of wells awaiting either fracture stimulation or infrastructure to commence production.

Current production for PetroBakken is now approximately 43,630 boepd, with production contributions from Saskatchewan, Alberta and British Columbia of 33,690 boepd, 9,370 boepd and 570 boepd, respectively. During the third quarter, 89 (67.3 net) wells were drilled, including 71 (51.4 net) Bakken development wells. Of the wells drilled in the Bakken, 13 were long bilateral wells with 30 stage fracture stimulations. Four of our new bilateral wells have just recently been put on production and production rates continue to increase as the load fluid from the fracture stimulation is recovered. Nine of our bilateral horizontal wells are being completed and are expected to be on production shortly.

In the fourth quarter, we expect to drill approximately 40 Bakken wells primarily using our new bilateral approach and complete an additional nine Bakken re-entries. Capital expenditures in the fourth quarter are expected to be approximately \$140 million.

Alberta Asset Dispositions

PetroBakken plans to sell a package of Alberta-based assets consisting of approximately 9,500 boepd and 40.1 mmboc of proved plus probable reserves to further enhance the focus of PetroBakken on southeast Saskatchewan light oil and resource plays. Proceeds from the contemplated disposition will be used to further solidify our strong balance sheet.

Dividend Policy

Based upon the underlying strength of PetroBakken's high-netback light oil asset base and flexible balance sheet, PetroBakken intends to adopt a dividend policy initially targeting payments of \$0.96 per share per annum, payable monthly, with the first dividend expected to be paid in November to shareholders of record on October 30, 2009. This dividend policy will allow PetroBakken shareholders to benefit from the Company's industry leading high netback production on a monthly basis.

Financial Capacity

PetroBakken has finalized a \$1.05 billion borrowing base credit facility. At closing, PetroBakken is drawn \$925 million on the facility and following the contemplated Alberta asset dispositions, debt to run-rate cash flow is expected to be less than one times, providing excellent financial flexibility. PetroBakken plans to maintain an active hedging strategy to provide certainty for a portion of our revenue stream and capital programs.

PetroBakken Management and Board of Directors

The Board of Directors of PetroBakken consists of the following individuals:

<u>Name of Director</u>	<u>Five Year Biography</u>
Ian Brown	Mr. Brown is a Chartered Accountant with over 20 years' experience in the capital markets. Mr. Brown was a Senior Managing Director at Raymond James Ltd. (and predecessor companies) from 1995 to 2005 and previously was Executive Vice President at the Alberta Stock Exchange. Mr. Brown has been a director of Petrobank since March 18, 2005.
Martin Hislop	Mr. Hislop is a Chartered Accountant and has more than 30 years' experience in all aspects of financing and managing private and public oil and gas corporations, partnerships and trusts. Mr. Hislop has been a Director of TriStar since November 2005 and an independent businessman since June 2005. From 1996 to June 2005, Mr. Hislop was the Chief Executive Officer of APF Energy Trust.
Brett Herman	Mr. Herman has been the President and Chief Executive Officer of TriStar since August 2006, and from January 2006 until August 2006 was TriStar's President and Chief Operating Officer. From September 2003 to January 2006, Mr. Herman was the Vice President, Finance and Chief Financial Officer of StarPoint Energy Ltd.
Craig Lothian	Mr. Lothian has in excess of sixteen years' experience in the oil and natural gas industry. Mr. Lothian is the President and Chief Executive Officer of Keystone Royalty Corp. (a land and royalty company), and Executive Chair of Villanova Resources Inc. (an exploration & development company). Mr. Lothian also serves on the Board of Directors of Enterprise Saskatchewan.

Name of Director	Five Year Biography
Kenneth McKinnon	Mr. McKinnon has been a director of Petrobank since March 2000. Mr. McKinnon holds the position of Vice President Legal and General Counsel of Critical Mass Inc., a website design and digital marketing company.
Corey C. Ruttan	Mr. Ruttan has been Petrobank's Senior Vice President and Chief Financial Officer since November 2008. From May 2007 to November 2008, Mr. Ruttan served as Petrobank's Vice President Finance and Chief Financial Officer. Mr. Ruttan was Vice President Finance of Petrobank from May 2006 to May 2007 and Director of Corporate Finance and Investor Relations from July 2003 to May 2006. Mr. Ruttan is also the Vice President, Finance and Chief Financial Officer of Petrominerales Ltd.
Dan Themig	Mr. Themig is the President of Packers Plus Energy Services Inc. headquartered in Calgary. Mr. Themig has served in various engineering and technical positions in the U.S. and Canada and has been involved in advanced horizontal and multilateral projects worldwide. He has a B.Sc. in Engineering from the University of Illinois and an MBA from Oklahoma State University. Mr. Themig is a registered professional engineer.
John D. Wright	Mr. Wright has been President, Chief Executive Officer and a Director of Petrobank since March 2000. Mr. Wright is also the President and Chief Executive Officer of Petrominerales Ltd.

The following individuals have been appointed officers of PetroBakken:

Name of Officer	Office Held	Five Year Biography
John D. Wright	Chairman of the Board and Chief Executive Officer	Mr. Wright has been President, Chief Executive Officer and a Director of Petrobank since March 2000. Mr. Wright is also the President and Chief Executive Officer of Petrominerales Ltd.
R. Gregg Smith	President and Chief Operating Officer	Mr. Smith has been the Senior Vice President and Chief Operating Officer, Canada of Petrobank since November 2008. Mr. Smith was the Vice President, Canada of Petrobank from March 2003 to November 2008.
Corey C. Ruttan	Executive Vice President and Chief Financial Officer	Mr. Ruttan has been Petrobank's Senior Vice President and Chief Financial Officer since November 2008. From May 2007 to November 2008, Mr. Ruttan served as Petrobank's Vice President Finance and Chief Financial Officer. Mr. Ruttan was Vice President Finance of Petrobank from May 2006 to May 2007 and Director of Corporate Finance and Investor Relations from July 2003 to May 2006. Mr. Ruttan is also the Vice President, Finance and Chief Financial Officer of Petrominerales Ltd.
Doreen Scheidt	Controller	Ms. Scheidt has been the Corporate Controller of Petrobank since December 2001.
Richard Press	Vice President, Land and Contracts	Mr. Press has been the Vice President Land and Contracts of Petrobank since January 2005. Mr. Press joined Petrobank in May 2003 as Senior Landman and was promoted to Land Manager in July 2004. Prior thereto, Mr. Press was a Senior Landman with Talisman Energy Inc. from June 2001 to May 2003.

Name of Officer	Office Held	Five Year Biography
Peter Hawkes	Vice President, Exploration	Mr. Hawkes was appointed Vice President Exploration, Canadian Business Unit of Petrobank in November 2008. Mr. Hawkes joined Petrobank in November 2005 as Senior Geologist and was promoted to Exploration Manager in July 2007. From May 2004 to July 2005 Mr. Hawkes was a Senior Geologist at Southpoint Resources Ltd.
Andrea Hatzinikolas	Corporate Secretary	Ms. Hatzinikolas has been the Assistant Corporate Secretary and General Counsel of Petrobank since August 2008. From January 2007 to August 2008, Ms. Hatzinikolas was General Counsel of Petrobank. From 2003 to 2007, Ms. Hatzinikolas was an associate at a national law firm.

PetroBakken Energy Ltd. 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 has a multi-year inventory of Bakken and light oil development locations, along with significant future development opportunities in the Horn River and Montney gas resource plays in northeast BC. Our strategy is to deliver accretive production and reserves growth, along with an attractive dividend yield.

Forward-Looking Statements. Certain information provided in this press release constitutes forward-looking statements. The words "anticipate", "expect", "project", "estimate", "forecast" and similar expressions are intended to identify such forward-looking statements. Specifically, this press release contains forward-looking statements relating to results from operations and go-forward operational plans of PetroBakken. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. You can find a discussion of those risks and uncertainties in Petrobank's and TriStar's Canadian securities filings. Such factors include general economic, market and business conditions; fluctuations in oil prices; the results of exploration and development drilling; timing and rig availability; fluctuation in foreign currency exchange rates; the uncertainty of reserve estimates; changes in environmental and other regulations; risks associated with oil and gas operations; and other factors, many of which are beyond the control of PetroBakken, Petrobank and TriStar. There is no representation by PetroBakken, Petrobank or TriStar that actual results achieved during the forecast period will be the same in whole or in part as those forecast. Except as may be required by applicable securities laws, neither PetroBakken, Petrobank nor TriStar assumes any obligation to publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

BOE. Disclosure provided herein in respect of boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent an economic value at the wellhead.

FOR FURTHER INFORMATION PLEASE CONTACT:

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