

Bayou Bend Signs Letter of Intent for Sale of Substantially All of Its U.S. Subsidiaries and/or Assets

VANCOUVER, BRITISH COLUMBIA—(Marketwire - Feb. 18, 2009) - Bayou Bend Petroleum Ltd. (“Bayou Bend” or “the Company”) (TSX VENTURE:BBP) is pleased to announce that it has entered into a non-binding letter of intent in respect of the sale of substantially all of its U.S. subsidiaries and/or assets to a private company based in Houston, Texas. The purchase price for the transaction is the sum of US \$18 million, payable in cash at closing.

The transaction is subject to the negotiation and execution of a definitive agreement, due diligence, board and shareholder approval as well as all requisite regulatory approvals.

Bayou Bend plans to hold a special meeting of shareholders to approve the transaction and related matters on April 15, 2009. Upon receipt of all approvals, the transaction is expected to close by the end of April 2009, with an effective date of April 1, 2009.

Bayou Bend President Keith Hill stated, “This transaction is an essential component of the Company’s future business strategy. At the end of 2008, Bayou Bend had an approximate cash and investments balance of US \$45 million (CAD\$56.7 million). With the addition of US \$18 million (CAD\$22.7 million) from this transaction, and after accounting for post-year end adjustments, the Company will be well-financed to pursue distressed resource opportunities in the current difficult market environment.”

Canaccord Adams in Houston Texas served as financial advisor to Company in its evaluation of strategic alternatives.

Cautionary Statements

This document contains statements about expected or anticipated future events and financial results that are forward-looking in nature and as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, the regulatory process and actions, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events, and the Company’s capability to execute and implement its future plans. Actual results may differ materially from those projected by management. For such statements, we claim the safe harbor for forward-looking statements within the meaning of the Private Securities Legislation Reform Act of 1995.

On Behalf of the Board

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