



## NEWS RELEASE

### PEERLESS SHAREHOLDERS APPROVE ARRANGEMENT WITH PETROBANK

Calgary, Alberta – January 25, 2008 – Petrobank Energy and Resources Ltd. (“**Petrobank**”) (TSX/OSLO: PBG) and Peerless Energy Inc. (“**Peerless**”) (TSX: PRY.A, PRY.B) are pleased to announce that the shareholders of Peerless, at a special meeting of shareholders held today, have approved the previously announced plan of arrangement with Petrobank (the “**Arrangement**”).

Peerless has also received a final order of the Court of Queen's Bench of Alberta approving the Arrangement. Subject to the completion of certain closing matters, it is anticipated that the Arrangement will become effective on January 28, 2008. Under the Arrangement, holders of Class A Shares of Peerless will receive \$1.00 in cash and 0.095 of one common share of Petrobank for each of their Class A Shares and holders of Class B Shares of Peerless will receive \$10.00 in cash for each of their Class B Shares.

#### ***Petrobank Energy and Resources Ltd.***

Petrobank Energy and Resources Ltd. is a Calgary-based oil and natural gas exploration and production company with operations in western Canada and Colombia.

#### ***Peerless Energy Inc.***

Peerless Energy Inc. is a junior oil and gas company engaged in the exploration for, and development and production of, natural gas and light oil reserves primarily in the provinces of Alberta, Saskatchewan, and British Columbia.

#### **FOR FURTHER INFORMATION PLEASE CONTACT:**

##### **Petrobank Energy and Resources Ltd.**

John D. Wright, President and Chief Executive Officer,  
Chris J. Bloomer, Vice-President Heavy Oil, or  
Corey C. Ruttan, Vice President Finance and Chief Financial Officer  
Telephone: (403) 750-4400

##### **Peerless Energy Inc.**

Wade Becker, President and Chief Executive Officer or  
Dan Toews, Vice President, Finance and Chief Financial Officer  
Phone: (403) 263-1590



Suite 2600, 240 – 4<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 4H4  
(403) 750-4400  
(403) 266-5794  
E-mail: [ir@petrobank.com](mailto:ir@petrobank.com)  
Website: [www.petrobank.com](http://www.petrobank.com)  
TSX/OSLO: PBG