



FOR IMMEDIATE RELEASE

(TSX VENTURE SYMBOL: CHQ, AMEX: CHQ)

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### **CHALLENGER ENERGY CORP. ANNOUNCES KAN TAN IV SEMI-SUBMERSIBLE DRILLING RIG ARRIVES EARLY IN TRINIDAD**

CALGARY, ALBERTA - Challenger Energy Corp. ("Challenger" or the "Company" – TSX Venture Exchange: CHQ) of Calgary, Alberta, Canada is pleased to report that the operator of the "Intrepid" Block 5(c) multi-well drilling program, Canadian Superior Energy Inc. ("Canadian Superior", AMEX,TSX: SNG) announced that the Kan Tan IV semi-submersible drilling rig arrived earlier than expected in Trinidad on May 28<sup>th</sup>. The rig was towed in less than 18 days, approximately 2,284 nautical miles (2,628 statute miles) from Brownsville, Texas in the Gulf of Mexico to the Port of Chaguaramas in Trinidad. The Kan Tan IV is expected to remain in port for less than two (2) weeks to be loaded up with supplies in order to finalize drilling preparations for the commencement of the multi-well drilling program in Trinidad. After its stay in port, the rig will be moved to drill the first exploration well on the "Intrepid" Block 5(c) "Victory" Prospect. Challenger, as a non-competitive industry partner, has entered into a participation agreement with Canadian Superior paying 1/3<sup>rd</sup> of Canadian Superior's Block 5(c) exploration costs to obtain 25% of Canadian Superior's revenue share from this project.

Maersk Contractors, a division of A.P. Moller - Maersk A/S ("Maersk") headquartered in Copenhagen, Denmark (OMX:MAERSK B) is the drilling rig manager for the Kan Tan IV. The Kan Tan IV is owned by SINOPEC of Beijing, China (NYSE:SNP). Kan Tan IV has been contracted to drill three (3) back-to-back exploration wells on three (3) separate and distinct large natural gas prospects named "Victory", "Bounty" and "Endeavour", approximately 60 miles off the east coast of Trinidad, on Canadian Superior's "Intrepid" Block 5(c). The wells will evaluate undiscovered natural gas prospects, each with multi-TCF potential, that have been delineated by extensive 3D seismic evaluated and interpreted by Canadian Superior over its "Intrepid" Block 5(c). Each of the three wells in this drilling program is planned to take between 80 and 100 days to drill and fully evaluate.

The first exploration well, "Victory", is directly offsetting and on trend with British Gas's (BG) Dolphin and Dolphin Deep Developments. The "Victory" Prospect has the potential for multiple sands with four-way closure based on detailed seismic interpretation by Canadian Superior. After drilling and evaluating that well on the "Victory" Prospect, the Kan Tan IV will be moved over to commence drilling on the "Bounty" Prospect, followed by drilling on the "Endeavour" Prospect, with each of these three (3) separate prospects having multi-TCF potential. Each of these Block 5(c) offshore wells will be High Pressure ("HP") wells and each will be drilled to a depth in the order of 5,000+ m (16,400+ feet).

Trinidad has proved to be a very attractive basin with multiple large exploration and development opportunities as evidenced by recent drilling and development successes in proximity to Canadian Superior's land holdings and prospects on which Challenger has participation agreements. Natural gas from Trinidad easily accesses the world's largest natural gas markets and supplies approximately 80% of the United States' Liquefied Natural Gas (LNG) which is very important to the North American natural gas supply.

Pictures of the commencement of the tow of the Kan Tan IV from the Brownsville, Texas Harbour to Trinidad and a link to monitor the daily location of the Kan Tan IV are posted on Challenger's website, [www.chaenergy.ca](http://www.chaenergy.ca).

Challenger Energy Corp. is a Calgary, Alberta, Canada based oil and gas exploration company which is currently focusing on "high impact" oil and gas plays offshore Trinidad and Tobago and offshore Nova Scotia.

**Cautionary Statements**

This news release contains forward-looking information on future production, project start-ups and future capital spending. Actual results or estimated results could differ materially due to changes in project schedules, operating performance, demand for oil and gas, commercial negotiations or other technical and economic factors or revisions.

Statements contained in this news release relating to future results, events and expectations are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements involve known and unknown risks, uncertainties, scheduling, re-scheduling and other factors which may cause the actual results, performance, schedules or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, those described in the Company's Form 20-F on file with the U.S. Securities and Exchange Commission.

FOR FURTHER INFORMATION RELATED TO CHALLENGER ENERGY CORP. AND/OR THIS NEWS RELEASE, PLEASE CONTACT:

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Information may also be obtained from Challenger Energy Corp.'s website at [www.chaenergy.ca](http://www.chaenergy.ca)

**The TSX Venture Exchange neither approved nor disapproved the contents of this press release.**