



For Immediate Release

February 25, 2008

## **CHALLENGER SUCCESSFULLY UPSIZES PROSPECTUS OFFERING**

CALGARY, ALBERTA, CANADA -- (Marketwire - February 25, 2008) - Challenger Energy Corp. ("Challenger") (TSXV:CHQ, AMEX:CHQ) today announced that it has successfully upsized the previously announced best efforts equity financing of units ("Units") from 6,521,800 Units at a price (the "Offering Price") of \$4.00 per Unit to 6,956,525 Units at the Offering Price as a result of such financing being over-subscribed, for gross proceeds of up to \$27,826,100. Challenger has also agreed to increase the size of the over-allotment option (the "Over-Allotment Option") granted to the Agents, exercisable in whole or in part, in the sole discretion of the Agents at any time up to 30 days following the closing of the offering, from 978,200 Units at the Offering Price to 1,043,475 Units at the Offering Price. If the Over-Allotment Option is exercised in full, the total aggregate gross proceeds in respect of the offering increase from \$30.0 million to \$32.0 million. Each Unit is comprised of one common share and one-half of one common share purchase warrant exercisable for a period of 24 months following the closing of the offering at a price of \$4.40 per common share purchase warrant.

The offering will be conducted by a syndicate of agents (the "Agents") led by Blackmont Capital Inc. and also including Thomas Weisel Partners Canada Inc. and Wolverton Securities Ltd.

Challenger Energy will use the net proceeds of the offering for its ongoing exploration program and activities offshore Trinidad and Tobago.

Closing of the offering is expected to occur on or about March 6, 2008 and is subject to certain conditions, including but not limited to, receipt of all necessary securities regulatory approvals, including the approval of the TSX Venture Exchange and the American Stock Exchange.

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. See [www.challenger-energy.com](http://www.challenger-energy.com) for information on Challenger.

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*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

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