



BENCHMARK AND DELAVACO ENERGY INC. ENTER INTO A LETTER AGREEMENT WITH DELANO CAPITAL CORP. WITH RESPECT TO A PROPOSED SUBSCRIPTION RECEIPTS FINANCING

CALGARY, Alberta – March 26, 2009 – Benchmark Energy Corp. (TSXV: BEE) ("**Benchmark**" or the "**Company**"), is pleased to announce that, further to its press release of January 26, 2009, Benchmark and Delavaco Energy Inc. ("**Delavaco**") have entered into an engagement letter dated March 20, 2009 (the "**Letter Agreement**") with Delano Capital Corp. ("**Delano**") pursuant to which Delano will act as agent to Delavaco with respect to a proposed "best efforts" private placement financing (the "**Delavaco Private Placement**") in connection with the proposed business combination of Benchmark and Delavaco (the "**Transaction**"). Completion of the Delavaco Private Placement is subject to the provisions of a definitive agency agreement. Completion of the Delavaco Private Placement is not a condition to the closing of the Transaction.

Benchmark is also pleased to announce that, further to its press release of March 6, 2009, the annual and special meeting (the "**Benchmark Meeting**") of the holders (the "**Benchmark Shareholders**") of Benchmark common shares (the "**Benchmark Shares**"), to approve, among other things, the previously announced amalgamation (the "**Amalgamation**") of Benchmark and Delavaco and the Consolidation (as defined herein), will be held on May 14, 2009. Delavaco will hold its annual and special meeting of the holders of Delavaco common shares (the "**Delavaco Shares**") to approve, among other things, the Amalgamation, on the same date.

Pursuant to the terms of the Letter Agreement, Delavaco may issue up to 19,117,647 subscription receipts ("**Delavaco Subscription Receipts**") at a price of C\$0.34 (the "**Issue Price**") per Delavaco Subscription Receipt for aggregate gross proceeds of C\$6.5 million. Upon satisfaction of the Escrow Release Conditions (as defined herein), each Delavaco Subscription Receipt will be deemed to be exercised, for no additional consideration, for one Delavaco Share and one-half of one Delavaco Share purchase warrant. Each whole Delavaco Share purchase warrant (the "**Delavaco Warrants**") will entitle the holder thereof to acquire one Delavaco Share (a "**Delavaco Warrant Share**") at any time prior to the date that is 24 months following the closing date of the Delavaco Private Placement at a price of Cdn.\$0.51 per Delavaco Warrant Share. The Delavaco Shares issued pursuant to the Delavaco Subscription Receipts will be acquired pursuant to the terms of the amalgamation agreement between Benchmark, Delavaco and 2192582 Ontario Inc. as such may be amended or amended and restated from time to time (the "**Amalgamation Agreement**"). Assuming the closing of the Amalgamation, the number of Benchmark Shares issued to subscribers to the Delavaco Private Placement will be approximately 58,960,735 pre-Consolidation Benchmark Shares having a deemed issuance price of \$0.11 (representing a 12% discount to the last closing price of the Benchmark Shares). The Delavaco Warrants will be exchanged for Benchmark Share purchase warrants (the "**Benchmark Warrants**") upon closing of the Amalgamation or may, in accordance with their terms, be exercisable for Benchmark Shares in lieu of Delavaco Shares.

As consideration for its services in respect of the Delavaco Private Placement, upon satisfaction of the Escrow Release Conditions (as defined herein), Delano will be paid a cash commission equal to 5.0% of the gross proceeds raised in the Delavaco Private Placement, together with the interest earned thereon from closing up to the date upon which the Escrow Release Conditions are satisfied. In addition, Delavaco will also grant Delano compensation options (“**Broker Warrants**”) entitling it to subscribe for that number of Units as is equal to 5.0% of the total number of Subscription Receipts sold pursuant to the Offering by the Agent. Subject to regulatory approval, each Broker Warrant will be exercisable to acquire one Unit for a period of 24 months following the closing of the Delavaco Private Placement at an exercise price equal to the Issue Price. The Broker Warrants will be subject to termination by Delavaco in the event that the Escrowed Proceeds (as defined herein) of the Delavaco Private Placement are required to be used by Delavaco to repurchase the Subscription Receipts in accordance with terms of the Letter Agreement.

The gross proceeds of the Delavaco Private Placement (less the reasonable fees and expenses (including GST) of counsel to Delano, which will be paid on closing of the Delavaco Private Placement) (the "**Escrowed Proceeds**") will be released to Delavaco upon satisfaction of the following conditions (together, the "**Escrow Release Conditions**”):

- (a) approval by the Benchmark Shareholders of:
 - (i) the consolidation of the issued and outstanding Benchmark Shares on a four for one (4:1) basis (the "**Consolidation**"), which Consolidation shall occur as soon as is reasonably practicable after completion of the Amalgamation;
 - (ii) the Amalgamation and the transactions relating thereto; and
 - (iii) the election of Brian Petersen, David Robinson and five nominees acceptable to Delano (the "**Delano Nominees**"), in its sole discretion, to the board of directors of Benchmark (the "**Benchmark Board**"), to take effect immediately upon completion of the Amalgamation.

provided, however, that if the aggregate gross proceeds of the Delavaco Private Placement are less than Cdn.\$4 million, then Benchmark shall have no obligation to propose the Delano Nominees to the Benchmark Board at the Benchmark Meeting;

- (b) all necessary regulatory approvals for the issuance of Benchmark Shares and Benchmark Warrants pursuant to the terms of the Delavaco Private Placement;
- (c) upon issue thereof, and subject to escrow requirements under applicable securities laws and the policies of the TSXV, such Benchmark Shares and Benchmark Warrants being freely tradeable and not subject to any hold period under Canadian securities laws; and

- (d) all material conditions precedent to the Amalgamation being satisfied in accordance with the terms of the Amalgamation Agreement and satisfactory to Delano, acting reasonably.

The Escrowed Proceeds, when released to Delavaco, will be used for capital expenditures on the assets, operations and business of the combined entity and for general corporate and working capital purposes.

Following closing of the Transaction and the Consolidation, and assuming the Delavaco Private Placement is fully subscribed, the combined entity resulting from the Amalgamation expects to have approximately 59,511,046 issued and outstanding common shares and approximately C\$6.7 million of cash, before deduction of fees and expenses related to the Transaction and ongoing business expenses made in the normal course. Total consideration to holders of Delavaco Shares pursuant to the transaction, including to the holders who acquire their Delavaco Shares pursuant to the Delavaco Private Placement, will have an approximate value of C\$23.4 million which represents a deemed issuance price of \$0.11 per Benchmark Share issued as consideration pursuant to the Transaction.

Following closing of the Transaction, it is anticipated that the following individuals will act as directors and officers of the combined entity:

- Stan Bharti (Chairman of the Board);
- Ahmed Said (Director and Chief Executive Officer);
- David Argyle (Director);
- Lewis Mackenzie (Director);
- Brian Petersen (Director);
- Pierre Pettigrew (Director);
- David Robinson (Director);
- Bob Szczuczko (Chief Operating Officer);
- Fari Goodarzi (Vice-President, Exploration); and
- Gary Lobb (Vice-President, Finance).

Further information with respect to these individuals, including biographical information, will be provided in a subsequent news release updating the status of the Transaction, including the Delavaco Private Placement, as applicable.

Trading Halt

Trading of the Benchmark Shares has been halted by the TSXV and the Benchmark Shares will remain halted in accordance with TSXV policies until all required documentation with respect to the Transaction has been received.

About Benchmark Energy Corp.

Benchmark is a development stage junior oil and gas company focused internationally which holds the preferential right in Colombia, Peru, Ecuador and Trinidad for the use of a proprietary

well-performance enhancement technology, which may have some application within the interests in Colombia being acquired through the Amalgamation.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Chairman & CEO
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Forward-Looking Statements

Certain information set forth in this press release, including management's assessment of future plans and operations, contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond management's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve or resource estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility, the ability to access sufficient capital from internal and external sources, and unexpected transportation or other issues, such as guerrilla activity that has occurred sporadically in Colombia. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements. No assurance can be given that any of the events anticipated will transpire or occur, or if any of them do so, what benefits will derive from them. Benchmark disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Completion of the Transaction is subject to a number of conditions, including TSXV acceptance and disinterested Benchmark Shareholder approval. The Transaction cannot close until the required Benchmark Shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Benchmark should be considered highly speculative.

The TSXV has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

Wellington West Capital Markets Inc., subject to completion of satisfactory due diligence, has agreed to act as sponsor to Benchmark in connection with the Transaction. An agreement to act as sponsor should not be construed as any assurance with respect to the merits of the Transaction or the likelihood of completion.