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BENCHMARK ENERGY CORP.

NEWS RELEASE

BENCHMARK ANNOUNCES CLOSING OF SECOND AND FINAL TRANCHE OF PRIVATE PLACEMENT FINANCING

Calgary, Alberta, Canada, May 12th, 2006 - BENCHMARK ENERGY CORP. ("Benchmark" or the "Company" - TSX Venture: BEE) is pleased to announce that it has closed the second and final tranche of its previously announced private placement consisting of 1,093,000 units ("Units") of the Company at a price of \$0.50 per Unit for gross proceeds of \$546,500 (the Offering"). The closing of the second tranche represents a fully subscribed offering of 4,272,000 units, for total gross proceeds of \$2,136,000.

Each Unit consists of one common share of ("Common Share") and one half of one common share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder thereof to acquire one Common Share at an exercise price of \$0.75 per Common Share at any time on or before the 12 month anniversary of the closing of the Offering. The Common Shares and Warrants issued pursuant to the Offering will be subject to a four-month hold period.

A commission of 7%, payable in cash, will be paid to certain selling agents in conjunction with the Offering.

Proceeds from this Offering will be used by the Company to commit to the further development of its interest in the Cosmos Concession in offshore Tunisia and to prepare feasibility studies with possible new ventures in surrounding offshore and onshore prospects in Tunisia and North and West Africa. Proceeds will also be used for general working capital purposes.

Benchmark Energy is a junior Canadian oil and gas exploration Company, focused internationally on North and West Africa. The Company currently has a 33.33% working interest in the Cosmos Concession in offshore Tunisia. The Company intends to further its working interests in Tunisia as well as to develop projects in marginal oil and gas fields in North and West Africa, and potentially in other regions of the world.

Certain information set forth in this press release, including a discussion of future plans and operations, contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity

prices, fluctuation of foreign exchange rates, environmental risks industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. Actual results, performance or achievement could differ from those expressed in or implied by these forward-looking statements.

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