

BENCHMARK ENERGY CORP.

1414 Eighth Street S.W., Suite 260, Calgary, Alberta T2R 1J6 Canada

NEWS RELEASE

BENCHMARK ENERGY PROVIDES UPDATE ON BUENA VISTA FARM-IN; ANNOUNCES INITIAL CLOSING OF CDN\$4 MILLION PRIVATE PLACEMENT

CALGARY, July 11, 2008 – Benchmark Energy Corp. (“Benchmark” or the “Company”), (TSXV:BEE) wishes to provide an update to the news release of May 29, 2008, whereby the Company reported that it had entered into a Letter Agreement (the “Agreement”) with Infinity Oil Limited (“Infinity”), an Australian private company, whereby Benchmark could earn up to a 35% participating interest in the Buena Vista Block (the “Block”) in Colombia.

Previously, the intent was for Benchmark to invest an estimated US\$7.7 million to earn the 35% interest. However, with Benchmark’s consent, Infinity has signed a Memorandum of Understanding (the “MOU”) with a third party who is prepared to invest an estimated US\$12.3 million to cover 100% of the costs of a proposed 3D seismic program, plus 100% of the costs of drilling a development well and an exploratory well, in return for a 30% interest in the Block.

As a result of this MOU, Benchmark is discussing with Infinity and its partners in the Block an amended Agreement whereby Benchmark would earn up to a 10% participating interest by investing up to US\$2 million to undertake the following:

- (a) pay 100% of the cost of a radial drilling operation to be performed on the Bolivar 1 well, such operation to include a remedial cement squeeze, up to a maximum of US\$1 million, in order for Benchmark to earn a five percent (5%) participating interest in the Block if the operation is successful;
- (b) pay 100% of the cost of a radial drilling operation to be performed on the Bethel 1 well, such operation to include a remedial cement squeeze, up to a maximum of US\$1 million, in order for Benchmark to earn a five percent (5%) participating interest in the Block if the operation is successful.

Therefore, Benchmark’s financial exposure would be greatly reduced, while potentially benefiting by the estimated US\$12.3 million investment to be made by the third party. Benchmark’s potential investment would equate to US\$200,000 per percentage point earned, whereas the third party will be investing an estimated US\$410,000 per percentage point earned.

The Buena Vista Block lies 150 km north of the capital city of Bogota, in the Eastern Cordillera Basin, on good roads and near oil infrastructure. Oilfield supplies and services are readily available both in Bogota and in Yopal to the east. There are 2

existing wells that have been drilled on the Block, the Bolivar 1 and the Bethel 1; the Bolivar 1 well is currently producing about 95 barrels of oil per day, and the Bethel 1 well is shut-in awaiting a workover.

The 3D seismic program discussed in the news release of May 29, 2008, has commenced. The radial drilling of the Bolivar 1 and Bethel 1 wells would likely commence during September of this year. The Company will provide a further update on the status of the potential farm-in to the Buena Vista Block when practicable.

Furthermore, Benchmark reports an initial closing of the previously-announced non-brokered private placement offering ("Offering") of units ("Units") of up to CDN\$4 million. An aggregate of 1,525,000 Units have been sold to date in the Offering at a price of \$0.40 per Unit, for aggregate gross proceeds of \$610,000. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable for a period of 12 months for one common share of the company at a price of \$0.65 per common share. The Units are subject to a four-month statutory hold period and the proceeds from the Offering will be used to fund Benchmark's ongoing capital expenditure program and for general corporate purposes.

The initial closing included participation by insiders of the Company for a total of 1 million Units of the Offering on the same terms as the arm's length investors. The participation by insiders in the Offering is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the of the securities being issued to insiders nor the consideration being paid exceeds 25% of the Company's market capitalization.

Benchmark is a junior Canadian oil and gas exploration company, focused internationally.

For further information, please contact:

Benchmark Energy Corp.
David R. Robinson
President & CEO
Phone: (403) 802-0770
Fax: (403) 266-5732
E-Mail: drr@benchmarkenergy.com

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