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For Immediate Release

BANKERS PETROLEUM OPERATIONAL UPDATE FOR THE FOURTH QUARTER 2011

Current Production Exceeds 16,000 barrels of oil per day

CALGARY, January 9, 2012 – Bankers Petroleum Ltd. (“Bankers” or the “Company”) (TSX: BNK,AIM: BNK) is pleased to announce the following fourth quarter operational update.

Production and oil prices

Exit 2011 production was 15,535 barrels of oil per day (“bopd”), 9% higher than the third quarter 2011 exit rate and 30% higher than the 2010 exit rate. With three new wells drilled in December 2011 and placed on production in the first week of January, current production is 16,048 bopd.

Average production for the fourth quarter was 13,833 bopd, representing a 5% increase from 13,232 bopd in the third quarter.

Average oil production for 2011 was 13,051 bopd, 33% higher than 2010 production of 9,806 bopd.

Oil sales from the Patos-Marinza oilfield in Albania during the fourth quarter averaged 13,399 bopd. Average oil sales for 2011 were 12,784 bopd, 33% higher than 2010 sales of 9,597 bopd. Crude oil inventory on December 31st was 241,000 barrels, an increase of 40,000 barrels from September 30th.

The Patos-Marinza fourth quarter average oil price was approximately US\$71.67 per barrel (representing 66 per cent of the Brent oil price of US\$109.31 per barrel, as compared with the third quarter average oil price of US\$74.46 per barrel (66% of Brent oil). The average oil price for 2011 was US\$72.84 per barrel (66% of Brent oil), a 50% increase from US\$48.64 per barrel (61% of Brent oil) for 2010.

Drilling update and well reactivations

Twenty-six (26) wells have been drilled during the fourth quarter: twenty-five (25) horizontal production wells and one (1) water disposal well. All of the horizontal production wells have been completed and are on production. Eighty-four (84) wells were drilled in 2011: seventy-six (76) horizontal production wells, two (2) vertical delineation wells, two (2) cyclic steam horizontal wells, and four (4) water disposal wells.

Several step-out wells in the western extension of the field (Area 3) were drilled in the fourth quarter. Six (6) of these wells are in the Driza 1 formation with encouraging production rates ranging from 70 to 270 bopd. In addition, several step-out wells in the southern area of the field (Area 2) were drilled with three (3) wells in the Upper and Middle Gorani having good production rates in the range of 90 to 150 bopd. The new production using horizontal well completions in these formations will contribute to additional development of recoverable reserves in these areas of the field.

The fifth drilling rig is currently operating at Patos-Marinza and drilling its third well in the field.

Reactivation and recompletion work continued in the fourth quarter with five (5) new reactivations and five (5) recompletions, including expansion into the northern part of the contract area targeting the deeper Bubullima sandstone formation. The first well in this area (K-8) was reactivated in December and initial production monitoring is underway with good fluid recovery and early traces of oil. An additional well will be reactivated in the Bubullima zone during the first quarter with new drilling activity later in the year as part of the Company's development plans for this formation and area of the field.

Thermal program

Thermal operations commenced at the southern Patos Cyclic Steam Pilot in December 2011 with steam test injection into thermal horizontal well 5201. The steam generator was calibrated and tested at full capacity with injection rates of 230 m³/d of cold water equivalent steam. The steam generator, well operating and injection conditions are within forecasted parameters.

Currently, two offset wells have been taken over from the State oil company ("Albpetrol") for remedial work and are being equipped to monitor the adjacent temperature and pressure conditions during full cycle operation of the Steam Pilot.

Full steam injection will resume in January and the first production cycle on the well (5201) is projected to commence later in the first quarter, with stabilized production results available in the second quarter. The second thermal horizontal well (5202) will be steamed subsequent to the injection cycle on the first well, followed by a production cycle later in the year.

Exploration Block "F"

The first Block "F" exploration location has been selected and land access is underway along with environmental permitting to commence surface lease construction. This first well is expected to spud in the first quarter of 2012.

Infrastructure development

The first phase of the crude oil sales pipeline, which connects the Patos-Marinza oilfield to Bankers' storage and loading hub facility at Fier is built and scheduled to commence operations in January. Construction of the expanded central treatment facility is finished and will also be operational in January, expanding Bankers' treating capacity to handle 25,000 bopd.

The Seman River Bridge, in the northern area of the Patos-Marinza oilfield, is complete and was open for traffic in December.

Kuçova

Water injection into well F-38 commenced in May and two offset wells F34 and F41 were placed on production in December. The Company intends to expand the waterflood pilot project with an additional injector and producers in the Ferme pool and expansion into the Ciflik and Arreza pools later this year.

Environmental initiatives

Environmental cleanup of former Albpetrol leases continued throughout the fourth quarter. Results of the remediation trials have been tabulated and Bankers completed the environmental remediation and reclamation of 62 leases and 5 former pump stations as part of the Sector III project.

Plans have been developed and budget funds allocated for 2012 to continue with the cleanup of additional leases and remnant hydrocarbon spill material from historic operations. The plans include expansion of the sludge treatment facility and the introduction of a commercial high temperature thermal desorption unit to treat hydrocarbon materials.

Updated Corporate Presentation

For additional information on this operational update, please see the January 2012 version of the Company's corporate presentation at www.bankerspetroleum.com.

Conference Call

The Management of Bankers will host a conference call on January 9, 2012 at 6:45am MST to discuss this Operations Update. Following Management's presentation, there will be a question and answer session for analysts and investors.

To participate in the conference call, please contact the conference operator ten minutes prior to the call at 1-888-231-8191 or 1-647-427-7450. A live audio web cast of the conference call will also be available on Bankers website at www.bankerspetroleum.com or by entering the following URL into your web browser <http://www.newswire.ca/en/webcast/detail/902171/962215>. The web cast will be archived two hours after the presentation on the website, and posted on the website for 90 days. A replay of the call will be available until January 23, 2012 by dialing 1-855-859-2056 or 1-416-849-0833 and entering access code 41364101.

Caution Regarding Forward-looking Information

Information in this news release respecting matters such as the expected future production levels from wells, future prices and netback, work plans, anticipated total oil recovery of the Patos-Marinza and Kuçova oilfields constitute forward-looking information. Statements containing forward-looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Company.

Exploration for oil is a speculative business that involves a high degree of risk. The Company's expectations for its Albanian operations and plans are subject to a number of risks in addition to those inherent in oil production operations, including: that Brent oil prices could fall resulting in reduced returns and a change in the economics of the project; availability of financing; delays associated with equipment procurement, equipment failure and the lack of suitably qualified personnel; the inherent uncertainty in the estimation of reserves; exports from Albania being disrupted due to unplanned disruptions; and changes in the political or economic environment.

Production and netback forecasts are based on a number of assumptions including that the rate and cost of well takeovers, well reactivations and well recompletions of the past will continue and success rates will be similar to those rates experienced for previous well recompletions/reactivations/development; that further wells taken over and recompleted will produce at rates similar to the average rate of production achieved from wells recompletions/reactivations/development in the past; continued availability of the necessary equipment, personnel and financial resources to sustain the Company's planned work program; continued political and economic stability in Albania; the existence of reserves as expected; the continued release by Albpétrol of areas and wells pursuant to the Plan of Development and Addendum; the absence of unplanned disruptions; the ability of the Company to successfully drill new wells and bring production to market; and general risks inherent in oil and gas operations.

Forward-looking statements and information are based on assumptions that financing, equipment and personnel will be available when required and on reasonable terms, none of which are assured and are subject to a number of other risks and uncertainties described under "Risk Factors" in the Company's Annual Information Form and Management's Discussion and Analysis, which are available on SEDAR under the Company's profile at www.sedar.com.

There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information and forward looking statements.

Review by Qualified Person

This release was reviewed by Suneel Gupta, Executive Vice President and Chief Operating Officer of Bankers Petroleum Ltd., who is a "qualified person" under the rules and policies of AIM in his role with the Company and due to his training as a professional engineer (member of APEGGA) with over 20 years experience in domestic and international oil and gas operations.

About Bankers Petroleum Ltd.

Bankers Petroleum Ltd. is a Canadian-based oil and gas exploration and production company focused on developing large oil and gas reserves. In Albania, Bankers operates and has the full rights to develop the Patos-Marinza heavy oilfield and has a 100% interest in the Kuçova oilfield, and a 100% interest in Exploration Block "F". Bankers' shares are traded on the Toronto Stock Exchange and the AIM Market in London, England under the stock symbol BNK.

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