



For Immediate Release

CINCH ENERGY COMPLETES \$37 MILLION FINANCING AND PROVIDES UPDATE

CALGARY, January 28, 2010 – Cinch Energy Corp. (“Cinch” or the “Company”) (TSX:CNH) is pleased to announce the closing of its recently announced bought deal financing of 22,493,300 common shares at \$1.65 per share for gross proceeds of \$37,113,945 which included 1,279,300 common shares issued on the exercise of the over-allotment option granted to the underwriters. The financing was co-led by Canaccord Financial Ltd., CIBC World Markets Inc. and Dundee Securities Corporation, and included Wellington West Capital Markets Inc., Haywood Securities Inc., Peters & Co. Limited and Raymond James Ltd. Net proceeds from this offering will be used to temporarily reduce outstanding indebtedness, to fund the Company’s ongoing exploration and development program and for general corporate purposes.

Corporate Update

The Company is also pleased to announce the appointment of Gary Purcell as a Director of the Company. Mr. Purcell has a wide range of energy industry experience most recently as the CEO and Director of Outrider Energy Ltd. He previously worked with Deer Creek Energy Limited, Rio Alto Exploration Ltd. and Suncor Energy Inc. Mr. Purcell, a graduate from the University of Alberta, is a Professional Engineer and has an MBA from the Stanford Graduate School of Business.

Rod Lebbert joined Cinch in mid January as VP Engineering and Business Development. Rod, a graduate from the University of Calgary, is a Professional Engineer with over 25 years of experience. He started his career with Shell Canada Ltd., then worked with Stampeder Exploration Ltd., and most recently was involved with a number of companies funded by ARC Financial Corp.

As a result of a number of changes, Cinch’s senior management team includes; Sid Dykstra, CEO, George Ongyerth, President, (with responsibility for exploration), Marcus McLafferty, VP Land, Rod Lebbert, VP Engineering and Business Development and Sarah Tait, CFO. France Finnigan is Cinch’s Interim CFO while Sarah Tait is on maternity leave.

Production Update

With the tie in of Dawson 1-33-80-15 W6M (36% working interest) in late 2009 Cinch's current production is approximately 2,500 boe/d. Current plans are to tie in the recent 6-30-80-15 W6M Wabamun well at restricted rate of 5 mmcf/d gross (65% working interest) by the end of the first quarter of 2010.

Montney Update

The first of four proposed non-operated Montney wells (26% working interest) has been drilled and cased and is expected to be completed in the first quarter of 2010. Following initial discussions with the operator of the majority of Cinch's lands, an active program is being planned, with the potential to drill over 50 horizontal wells on 18 sections of land in which Cinch has an average working interest of about 35%. Plans for the timing of drilling and the development of gas processing facilities to bring this gas on stream are currently being developed with the objective of bringing on initial volumes prior to the end of 2010. Cinch also has an average 32% working interest in an additional eight sections of lands with Montney potential in this area.

Wabamun Update

The Wabamun test at 7-25-80-16 W6M (65% working interest) is currently drilling and is anticipated to be at total depth in February 2010. At a recent crown land sale Cinch was successful in acquiring deep rights in an additional 12 sections in this area (65% working interest). Cinch now has an interest in 55 sections of land, at an average working interest of 58%, with deep rights in the Dawson area. With Cinch as the operator of the majority of these lands, plans for future drilling and shooting of 3D seismic are currently being developed.

Deep Basin Update

Cinch is currently reviewing a number of drilling opportunities on its Deep Basin lands in west central Alberta. This area has well developed infrastructure which should allow any successful gas discoveries to be brought on stream prior to the end of 2010.

2010 Budget

Cinch anticipates finalizing its 2010 capital budget and production guidance once plans for the Montney, Wabamun and Deep Basin drilling are further defined. With the financing, Cinch is in a strong financial position with approximately \$5 million of working capital and an undrawn credit facility of \$43 million. Cinch currently plans to release its 2009 year end financial results and the 2009 year end independent reserve evaluation on March 8, 2010.

Forward Looking Statements

This document contains forward looking statements. More particularly, this press release contains statements concerning the anticipated use of the net proceeds of the offering, management's plans, including drilling plans, timing of drilling, completion and tie-in of new wells and of commencement of production and expected production rate and timing of release of financial and reserve information. Although Cinch believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Cinch can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The intended use of the net proceeds of the offering by Cinch might change if the board of directors of Cinch determines that it would be in the best interests of Cinch to deploy the proceeds for some other purpose. The timing of various operational matters may be affected by the ability to obtain services to conduct the operations, weather and other matters outside of the control of Cinch or within the control of Cinch which may change as a result of management's decisions as to what is in the best interests of the Company. The forward looking statements contained in this document are made as of the date hereof and Cinch undertakes no obligation to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Barrels of Oil Equivalent

Disclosure provided herein in respect of barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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