

Reliable Energy Ltd. Announces 2011 Financial and Operational Results

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CALGARY, April 10, 2012) - [Reliable Energy Ltd.](#) ("Reliable" or the "Company") (TSX VENTURE:REL) is pleased to report its financial and operational results for the year ended December 31, 2011. In addition, the Company announced today that it has filed, under National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities for the year ended December 31, 2011, its Form 51-101F1 - Statement of Reserves Data and Other Oil and Gas Information, Form 51-101F2 - Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor and Form 51-101F3 - Report of Management and Directors on Oil and Gas Disclosure.

The Company's consolidated financial statements and management's discussion and analysis, along with the NI 51-101 reserves filings and its Annual Information Form, for the year ended December 31, 2011 are available at www.sedar.com or the Company's website at www.reliableenergy.ca.

HIGHLIGHTS

Financial and Operational Achievements

For the year ended December 31, 2011, Reliable posted record revenue, production and cash flow with significant year-over-year gains in all areas.

- Gross revenue increased 169% to \$25.3 million.
- Production rose to almost 270,000 bbls, an increase of 122%.
- Cash flow soared 328% to \$15.0 million or \$0.064 per share (basic).
- Capital expenditures totalled \$27.1 million, up 23% or \$5.0 million from last year.
- Drilled 19 gross (13.5 net) wells, including 18 gross (13.0 net) horizontal wells.
- Invested \$0.8 million in facility upgrades in South Kirkella, thereby improving operational costs and efficiencies.
- Maintained the Company's land base by spending \$1.9 million on re-leasing and land acquisition activities.
- Increased proved reserves 35% to 957 mbbbls, while proved plus probable reserves grew 27% to 1,714 mbbbls.
- Achieved a recycle ratio of 1.3 and 1.6 times for proved and proved plus probable reserves, respectively.
- Recorded a reserve life index on proved reserves of 2.9 years and 4.1 years for proved plus probable reserves.
- Recorded finding and development costs of \$51.48/bbl on proved reserves and \$42.06/bbl on proved plus probable reserves. These costs increased over the prior year due partially to several undeveloped and probable locations identified in 2010 being drilled in 2011 with the effect that overall reserves increased only marginally.
- Achieved operating costs of \$13.84/bbl and netbacks of \$66.22/bbl at an average sales price of \$95.12/bbl.
- Increased available bank lines to \$26.0 million to provide Reliable the flexibility for financing future activity.

FINANCIAL AND OPERATING HIGHLIGHTS

Years Ended December 31, (000s, except per share amounts) Financial(1)	2011 (\$)	2010 (\$)	Change (%)
Gross revenue	25,342	9,436	169
Net income (loss)	338	(1,749)	119
Per share - basic	0.001	(0.008)	113
Per share - diluted	0.001	(0.008)	113
Cash flow from (used in) operations (2)	15,027	3,510	328
Per share - basic	0.064	0.016	300
Per share - diluted	0.063	0.016	294
Capital expenditures	27,060	22,043	23
Total assets	56,154	42,922	31
Working capital (deficiency)	(15,100)	(3,681)	(310)
Shareholders' equity (000s) (#)	31,326 (#)	30,088 (#)	4
Share Data			
At year-end	236,793	236,138	--
Weighted average			
Basic	236,464	213,786	11
Diluted	240,332	218,953	10
		(%)	
Operational Production			
Light crude oil (bbls/d)	739	327	126
Natural gas (mcf/d)	--	32	--
Total (boe/d)	739	333	122
Total (boe)	269,626	121,511	122
Average wellhead prices (3)			
Light crude oil (\$/bbl)	95.12	78.34	21
Natural gas (\$/mcf)	--	4.00	--
Total (\$/boe)	95.12	77.45	23
Operating cost (\$/boe)	13.84	12.75	9
Operating netback (\$/boe)	66.22	51.36	29
Reserves			
Proved (mboe) (4)	957	711	35
Proved plus probable (mboe) (4)		1,714	1,352
Total net present value - proved plus probable (10% discount) (\$000s)(5)		57,137	44,586
Undeveloped land (net acres)	183,495	197,426	(7)
Years Ended December 31, (%)	2011	2010	Change
Gross (net) wells drilled			
Oil (#)	19 (13.5)	12 (8.2)	
Gas (#)	-- (--)	-- (--)	
Awaiting completion (#)	-- (--)	4 (3.5)	
Shut-in or suspended #(6)	-- (--)	10 (6.7)	
Dry and abandoned (#)	-- (--)	3 (2.2)	
Total #(7)	19 (13.5)	29 (20.6)	
Average working interest (%)	71	71	

(1) The selected financial information for 2011 and 2010 has been prepared in accordance with International Financial Reporting Standards ("IFRS"). Comparative information for 2009 and 2008 has been prepared using previous Canadian generally accepted accounting principals.

(2) Cash flow from (used in) operations, cash flow from (used in) operations per share and operating netback are not recognized measures under IFRS. Refer to the Management's Discussion and Analysis for further discussion.

(3) Average wellhead prices are before hedging gains and losses.

(4) 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.

(5) Before income taxes.

(6) Shut-in or suspended wells are cased wells not placed on production or producing wells that have been shut-in.

(7) Included in the total number of wells drilled in 2011 were 3 gross (0.7 net) non-operated wells.

CORPORATE TRANSACTION UPDATE

As announced on March 15, 2012, Reliable entered into an arrangement agreement with [Point Energy Corp.](#) ("Crescent Point"), a minority shareholder of Reliable, whereby Crescent Point will acquire all of the issued and outstanding common shares of Reliable not already held by Crescent Point for approximately \$99.1 million, including net debt of \$20.0 million at March 14, 2012 (the "Arrangement"). Subsequent thereto, Reliable and Crescent Point entered into an amended and restated arrangement agreement dated effective March 26, 2012, to make minor changes to the Plan of Arrangement. Under the terms of the Arrangement, each common share of Reliable shall be exchanged for 0.00794 common shares of Crescent Point. Reliable shareholders will receive an aggregate value of \$0.362 per common share of Reliable based on a five-day weighted average trading price per Crescent Point share of \$45.61, which represents a premium of 19% to the closing price of Reliable common shares on the TSX Venture Exchange as at March 14, 2012. The Arrangement is expected to be tax-deferred for Canadian resident shareholders of Reliable and is subject to stock exchange, court as well as shareholder approval. An information circular regarding the Arrangement was sent to Reliable's shareholders on April 3, 2012 for a meeting to be held on May 1, 2012 with closing expected shortly thereafter.

ABOUT RELIABLE

Reliable is a Calgary, Alberta based oil and gas exploration and production company with its core properties located in the Kirkella region of southeastern Saskatchewan/southwestern Manitoba and secondary properties located in Alberta and Blaine County, Montana. Reliable's focus is on the production of light sweet crude oil from the Bakken/Three Forks formations in southwestern Manitoba, which is a pervasive, oil charged reservoir that is exploited through the use of horizontal drilling technology and a multi-stage fracturing completion process. Reliable's significant land base in the Kirkella region includes both proved and probable crude oil reserves in the Bakken/Three Forks as well as multi-zone potential in the Lodgepole and other formations. Reliable has no current production from its Alberta or Montana properties.

Common shares of Reliable Energy Ltd. are listed for trading on the TSX Venture Exchange under the symbol REL.

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