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PRESS RELEASE

RELIABLE ENERGY LTD. ANNOUNCES SALE OF HARMATTAN PROPERTIES AND PROVIDES FURTHER OPERATIONAL UPDATE

Calgary, Alberta

August 19, 2010

Reliable Energy Ltd. ("**Reliable**" or the "**Company**") (TSX-V: REL) is pleased to announce that it has recently completed the sale of its natural gas properties and facilities located in the Harmattan area, of south central Alberta. The sale which, included four natural gas wells and associated pipelines will enable Reliable to focus 100% on the exploration and production of crude oil from its core area in southeast Saskatchewan and southwest Manitoba. The properties, producing approximately 100 mcf/d of natural gas, were not considered significant to the Company's operations and the loss of production will have little impact on expected future production, which is now 100% light crude oil.

Reliable also advises that it has completed construction of the central battery on its Kirkella South field and it commenced operating on August 5, 2010. Work continues on the licensing and construction of a water disposal facility which it expects to have operational within the next two to three months. The water disposal facility, when completed, will be integrated with the central battery and will provide significant savings on transportation and disposal costs of produced water, essential for Reliable's goal of reducing operating costs in the area.

The Company also announces that it has drilled and cased the first of several horizontal wells the Company is planning to drill in its core area of Manitoba to test the viability of horizontal production from the Bakken. This first well was drilled immediately offsetting existing production from vertical Bakken wells in the South Kirkella field. Comprised of a single horizontal leg 1,005 metres in length, the wellbore, encountered approximately 890 metres of oil pay based on gamma ray log response, oil staining in drill cutting samples, and measured gas shows during drilling. The Company intends to complete the well with a number of fracture stimulation procedures and is currently waiting on fracing services. Due to the high demand for fracing services in the area, final completion is not expected before the end of August, with results due mid September. A second horizontal well, offsetting and parallel to the first, has recently commenced drilling and is expected to take seven days to reach TD.

ABOUT RELIABLE

Reliable Energy Ltd. is an Alberta based junior oil company with a strong exploration component that commenced operations in 2005. Reliable's activities are primarily focused in the Kirkella area situated on the Saskatchewan/Manitoba border. Kirkella is a Bakken oil rich prospect area that possesses high operating margins and multiple formation potential, while cost effective high impact exploration yields significant low risk exploitation and development opportunities.

Reliable's goal is to become a low cost, value added growth company. The Company's strategy is to concentrate on exploration and development drilling activities in oil rich core areas. Reliable will continue to build on its highly prospective light oil land position in Manitoba and Saskatchewan and, through prudent development, add to its reserves and production base with the objective of providing sustained future growth and superior returns to shareholders.

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

ADVISORY: This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, the statements included in the second paragraph as to reducing future operating costs, the statements in the third paragraph relating to estimated results from drilling and all statements in the first two paragraphs of "About Reliable" are forward-looking statements. Although Reliable believes that

the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Reliable 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 forward-looking statements contained in this press release are made as of the date hereof and Reliable undertakes no obligations 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.

Note

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.

This news release does not constitute an offer to sell or a solicitation of any offer to buy the securities in the United States. The securities offered have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements of such Act.

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