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PRESS RELEASE

RELIABLE ENERGY LTD. PROVIDES OPERATIONS UPDATE

Calgary, Alberta

August 5, 2010

Reliable Energy Ltd. ("Reliable" or the "Company") (TSX-V: REL) is pleased to provide an operational update on its second quarter 2010 activities.

HIGHLIGHTS

Operational Achievements

- Maintained average daily production of 308 boe/d for the quarter compared with 306 boe/d in Q1, 2010.
- Exit production at June 30, 2010, based on field reporting was 306 boe/d net (100% oil). (Current production at July 31, 2010 is 360 boe/d net.)
- Drilled 3 (2.25 net) wells, including 2 (1.5 net) exploration wells and 1 (0.75 net) development wells.
- Increased undeveloped acreage by 12,462 acres for a total of 89,700 net acres.
- Acquired over 1,000 kilometres of 2D trade seismic in our core area.

OPERATIONAL UPDATE

Activities during the quarter were significantly curtailed due not only to the normal spring break up but also an exceptionally wet start to the summer in southeast Saskatchewan and southwest Manitoba. This resulted in field activities being shut down for much of June. As a result, Reliable was only able to drill 3 wells during the quarter, 2 (1.5 net) exploration wells and 1 (0.75 net) development well. Of the exploration wells 1 was abandoned and 1 was placed on production and provides a new area of focus for Reliable. One development well was drilled into our East Manson pool and was placed on production in early July and initial rates tested in excess of 40 bbl/d gross from the Bakken.

As previously reported, four wells were unable to be completed in the first quarter due to commencement of road bans in Manitoba. Subsequent testing has resulted in two wells being deemed non-commercial and will be abandoned or used for water disposal while the two remaining wells are currently being completed and tested.

Since the end of the second quarter the Company has resumed field operations and is currently drilling in its core area. The original business plan for 2010 called for a further 6 (4.5 net) exploration wells and 21 (15.75 net) development wells to be drilled in the second half of the year. These drilling plans are currently being re-evaluated in light of the Company's decision to commence the drilling of its first horizontal well, which was spudded earlier this week.

During the quarter, Reliable entered into an agreement with its joint venture partner in the Trochu Basin, Alberta to acquire the partner's interest in those lands. This resulted in an increase of 9,200 acres to Reliable's undeveloped land acreage. Reliable continues to evaluate these lands in light of recent activity in the area. The Company continued to add lands during the quarter in its core area.

Also in the, quarter the Company acquired over 1,000 kilometres of trade seismic in its core area. This data will be used to identify further opportunities in the area.

Drilling activity for the first six months of 2010 is summarized as follows:

	Gross	Net
Exploration	1.0	0.75
Development	5.0	3.75
Abandoned	3.0	2.25
Awaiting completion operations	3.0	2.25
Total	12.0	9.0

For the six months ended June 30, 2010, Reliable's average producing well count was 16.1 gross and 13.6 net wells. At quarter end, Reliable had 20.0 gross, 16.8 net wells on production.

GUIDANCE

The Company provides the following revision to prior guidance for 2010.

Average production is expected to be 480 boe/d, down from 560 boe/d previously provided. This is due almost entirely to wet weather delays in drilling and bringing wells on production during the second quarter.

2010 exit production continues to be estimated at 900 bbl/d.

Cash-flow from operations for the year has been revised downward to \$7.5 million from \$9.1 million due to lower average production.

The Company intends to provide revised guidance on CAPEX and financial condition in the near future once it has finished the drilling of its first horizontal well and evaluated the results.

CREDIT FACILITIES

Reliable recently completed a credit review with its bank and available lines of credit were renewed and increased to \$6 million of operating lines and \$2 million for acquisitions for a total credit facility of \$8 million. These facilities currently remain unutilized.

ABOUT RELIABLE

Reliable Energy Ltd. is an Alberta based junior oil and gas 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 under "Operational Update" as to the number of wells expected to be drilled in the second half of 2010, all statements under the heading "Guidance" 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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