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**PRESS RELEASE**

**RELIABLE ENERGY LTD. ANNOUNCES CLOSING OF \$15 MILLION BOUGHT-DEAL FINANCING**

**Calgary, Alberta**

**May 27, 2010**

Reliable Energy Ltd. ("**Reliable**" or the "**Company**") (TSX VENTURE:REL) is pleased to announce that it has completed the issuance of 30,000,000 special warrants ("**Special Warrants**") at a price of \$0.30 per Special Warrant and 16,500,000 common shares of the Company issued on a "flow-through" basis ("**FT Shares**"), at a price of \$0.365 per FT Share, for aggregate gross proceeds of \$15 million ("**Offering**"). This bought-deal financing, previously announced on May 12, 2010, was led by Raymond James Ltd. and included Canaccord Genuity Corp., Acumen Capital Finance Partners Limited and Clarus Securities Inc. The Special Warrants and FT Shares issued pursuant to the Offering are subject to trading restrictions until September 28, 2010.

Each Special Warrant entitles the holder to receive, for no additional consideration and without further action on the part of the holder, one common share of the Company (the "**Common Shares**"). The Special Warrants will be exercisable by the holder at any time after the Closing and all unexercised Special Warrants will be deemed to be exercised on the earlier of (a) September 28, 2010, and (b) that day on which a Receipt is issued by the securities regulatory authorities in the Provinces of Alberta, British Columbia and Ontario for a final prospectus qualifying the Common Shares to be issued upon the exercise of the Special Warrants.

The Company will use reasonable commercial efforts to file a final prospectus qualifying the Common Shares issued upon exercise of the Special Warrants pursuant to National Instrument 44-101 and obtain a final passport receipt (the "**Receipt**") evidencing a receipt for the Prospectus on behalf of each of the securities regulatory authorities in each of the provinces of BC, Alberta and Ontario, pursuant to Multilateral Instrument 11-102 on or before July 9, 2010 (the "**Qualification Deadline**"). If the Receipt dated on or before the Qualification Deadline is not obtained, the Company shall issue to each holder of Special Warrants, for no additional cost to and without further action on the part of such holder, an additional 0.1 of a Common Share for each Common Share to be issued to such holder pursuant to the Special Warrant held by such holder. If a Receipt is not obtained dated on or before the Qualification Deadline, the Company shall nevertheless continue to use its best efforts to obtain such Receipt.

Proceeds of the Offering will be used to fund Reliable's exploration and development program and for general corporate purposes, with the gross proceeds from the sale of the FT Shares used to fund ongoing exploration activities eligible for Canadian exploration expenses which will be renounced in favour of the subscribers of the FT Shares effective on or before December 31, 2010.

**ABOUT RELIABLE**

Reliable is an Alberta based junior oil and gas exploration and production company 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 core areas known to have an abundance of light crude oil. 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 are listed for trading on the TSX Venture Exchange under the symbol REL.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction. The common shares of Reliable will not be and have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption therefrom.

**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, these statements concerning the anticipated use of the net proceeds of the Offering 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 intended use of the net proceeds*

*of the Offering by Reliable might change if the board of directors of Reliable determines that it would be in the best interests of Reliable to deploy the proceeds for some other purpose, such as an acquisition. 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.*

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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