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**PRESS RELEASE**

**MANITOK ENERGY INC. ANNOUNCES FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2010**

**April 21, 2011, Calgary, Alberta** – Manitok Energy Inc. (the "Corporation" or "Manitok") (TSX-V: MEI) announces its financial results as at and for the financial year ended December 31, 2010.

The financial results contained herein are qualified in their entirety by the full text of the audited annual financial statements of Manitok as at and for the financial year ended December 31, 2010 and the related management's discussion and analysis, all of which have been filed on the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). All dollar figures are in Canadian dollars unless otherwise noted.

**Fiscal Year Highlights:**

- Production for the financial year ended December 31, 2010 averaged 179 boe/d, compared to average production of 203 boe/d in the financial year ended June 30, 2010. The decrease in production was due to normal production declines in the natural gas assets, an unusual amount of downtime, equivalent to approximately 13 boe/d over the period, in some of its natural gas properties due to third party gas plant issues, and the disposition of a producing property in the Garrington area of Alberta on August 4, 2010, which amounts to about 10 boe/d. The decline in natural gas production was partially offset by a 12% increase in heavy oil production over the period due to drilling of five new heavy oil wells which began producing in November 2010.
- Proved reserves increased 21%, due to the five heavy oil wells being drilled during the financial year ended December 31, 2010, while proved plus probable reserves remained relatively consistent. On a boe basis, proved reserves make up 73% of total proved plus probable reserves and heavy crude oil accounts for approximately 60% of total proved reserves and 59% of ManitoK's total proved plus probable reserves. The reserve life index is 5.9 on a total proved basis and 7.7 on a proved plus probable basis.
- Acquisition of approximately 31,000 net acres of undeveloped land primarily in the Alberta foothills through crown land sales; focusing primarily on "drill ready" prospects for crude oil and liquids rich natural gas in the Cardium and Mannville formations.
- During the financial year ended December 31, 2010, ManitoK raised net proceeds of approximately \$25.8 million from the issuance equity of approximately 23.2 million common shares in the capital of ManitoK. As at December 31, 2010 ManitoK had no outstanding debt and a working capital surplus of approximately \$19.8 million which has increased to over \$40 million with the equity issue that closed on April 14, 2011.
- Cash flow from operations was (\$633,824), or (\$0.04) per diluted share, due mainly to a significant increase in general and administrative costs arising from a substantial increase in professional personnel levels required to meet the Corporation's new growth objectives as a public company. There were also additional professional and regulatory fees as a result of becoming a reporting issuer. The impact of the additional revenue in the period from the new heavy oil wells was limited by the later timing of production start-up.

- Net loss of \$1,408,273, or \$0.08 per diluted share, due mainly to the reduction in cash flow and non-cash items such as depletion and depreciation expense and stock-based compensation expense.
- ManitoK's capital expenditures for the financial year ended December 31, 2010 were approximately \$6.7 million before the \$1.8 million asset disposition in Garrington. ManitoK spent approximately \$2.1 million on undeveloped land and seismic, \$3.3 million on drilling, completing and equipping five heavy oil wells in the Swimming area of east-central Alberta and \$1.3 million on initial drilling costs in the Stolberg area.

#### December 31, 2010 Reserves Evaluation:

ManitoK has had its reserves evaluation prepared by Sproule Associates Limited ("**Sproule**"), an independent qualified reserves evaluator, in accordance with the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*, effective December 31, 2010. Reserves estimates stated herein have been extracted from the relevant evaluation prepared by Sproule.

Sproule's estimates of ManitoK's reserves and pre-tax discounted future net revenues based on forecast commodity prices and costs are set forth below:

<b>Summary of Oil and Gas Reserves – December 31, 2010 Forecast Prices and Costs</b>								
<b>Reserve Category</b>	<b>Heavy Oil</b>		<b>Natural Gas</b>		<b>Natural Gas Liquids</b>		<b>Total</b>	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (MMcf)	Net (MMcf)	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mboe)	Net (Mboe)
<b>Proved</b>								
Developed Producing	190.5	172.0	1,269	1,108	0.2	0.1	402.2	356.8
Developed Non-Producing	40.0	38.7	300	277	1.6	1.1	91.6	86.0
Undeveloped	165.0	152.8	-	-	-	-	165.0	152.8
<b>Total Proved</b>	<b>395.5</b>	<b>363.4</b>	<b>1,569</b>	<b>1,385</b>	<b>1.8</b>	<b>1.3</b>	<b>658.8</b>	<b>595.5</b>
<b>Probable</b>	133.4	118.6	629	549	1.7	1.2	239.9	211.3
<b>Proved Plus Probable</b>	<b>528.9</b>	<b>482.0</b>	<b>2,197</b>	<b>1,935</b>	<b>3.5</b>	<b>2.4</b>	<b>898.7</b>	<b>806.8</b>

Note:

- (1) Columns may not add due to rounding of individual items.

<b>Net Present Values of Future Net Revenue – December 31, 2010 Forecast Prices and Costs</b>					
<b>Reserve Category</b>	<b>Before Income Taxes, Discounted at (%/year)</b>				
	<b>0%</b> (M\$)	<b>5%</b> (M\$)	<b>10%</b> (M\$)	<b>15%</b> (M\$)	<b>20%</b> (M\$)
<b>Proved</b>					
Developed Producing	10,357	9,170	8,248	7,513	6,916
Developed Non-Producing	2,092	1,447	1,041	776	597
Undeveloped	2,651	2,017	1,511	1,101	767
<b>Total Proved</b>	<b>15,100</b>	<b>12,635</b>	<b>10,799</b>	<b>9,390</b>	<b>8,280</b>
<b>Probable</b>	7,064	5,223	3,995	3,141	2,525
<b>Proved Plus Probable</b>	<b>22,164</b>	<b>17,858</b>	<b>14,795</b>	<b>12,531</b>	<b>10,805</b>

Notes:

- (1) Columns may not add due to rounding of individual items.
- (2) Estimates of future net revenues whether discounted or not do not represent fair market value.
- (3) The forecast of commodity prices used by Sproule in its evaluation can be found at [www.sproule.com](http://www.sproule.com).

The following table sets out the forecast price assumptions used by Sproule:

<b>Year</b>	<b>WTI</b>			<b>Natural Gas AECO</b> (SCDN/mmbtu)	<b>Natural Gas Liquids</b>			<b>Currency Exchange Rate</b> (US\$/SCDN)	<b>Inflation Rate (%)</b>
	<b>Cushing Oklahoma 40° API</b> (US\$/bbl)	<b>Edmonton Par Price 40° API</b> (SCDN/bbl)	<b>Hardisty Heavy 12° API</b> (CDNS/bbl)		<b>Edmonton Propane</b> (SCDN/bbl)	<b>Edmonton Butane</b> (SCDN/bbl)	<b>Edmonton Pentanes Plus</b> (SCDN/bbl)		
2011	\$88.40	\$93.08	\$74.46	\$4.04	\$55.20	\$62.44	\$95.32	0.932	1.5%
2012	\$89.14	\$93.85	\$75.08	\$4.66	\$55.66	\$62.95	\$96.11	0.932	1.5%
2013	\$88.77	\$93.43	\$72.87	\$4.99	\$55.41	\$62.67	\$95.68	0.932	1.5%
2014	\$88.88	\$93.54	\$71.09	\$6.58	\$55.47	\$62.75	\$95.79	0.932	1.5%
2015	\$90.22	\$94.95	\$72.16	\$6.69	\$56.31	\$63.69	\$97.24	0.932	1.5%
2016	\$91.57	\$96.38	\$73.25	\$6.80	\$57.16	\$64.65	\$98.71	0.932	1.5%
2017	\$92.94	\$97.84	\$74.36	\$6.91	\$58.02	\$65.63	\$100.20	0.932	1.5%
2018	\$94.34	\$99.32	\$75.48	\$7.02	\$58.90	\$66.62	\$101.71	0.932	1.5%
2019	\$95.75	\$100.81	\$76.62	\$7.14	\$59.79	\$67.63	\$103.25	0.932	1.5%
2020	\$97.19	\$102.34	\$77.78	\$7.26	\$60.69	\$68.65	\$104.81	0.932	1.5%
thereafter	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	0.932	1.5%

The following table sets forth the reconciliation of Manitok's gross reserves (before royalty):

<b>Reserves Reconciliation</b>	<b>Gross Proved (Mboe)</b>	<b>Gross Probable (Mboe)</b>	<b>Gross Proved Plus Probable (Mboe)</b>
<b>Opening balance</b>	<b>545.0</b>	<b>351.2</b>	<b>896.3</b>
Discoveries, extensions and improved recovery	74.9	45.0	119.9
Acquisitions (dispositions)	(9.2)	(38.0)	(47.2)
Technical revisions	81.0	(118.3)	(37.3)
Economic factors	-	-	-
Production over the year	(32.9)	-	(32.9)
<b>Closing balance</b>	<b>658.8</b>	<b>239.9</b>	<b>898.7</b>

Note:

(1) Columns may not add due to rounding of individual items.

The following table sets forth Manitok's future development costs:

	<b>December 31, 2010</b>	<b>June 30, 2010</b>	<b>June 30, 2009</b>
<b>Total Proved</b>	\$4,432,000	\$2,184,000	\$2,385,000
<b>Proved Plus Probable</b>	\$5,152,000	\$4,329,000	\$4,853,000

During Manitok's financial year ended December 31, 2010, its proved developed producing reserves increased by 109.4 Mboe to 402.2 Mboe, which is an increase of 37% compared to its proved developed producing reserves of 292.8 Mboe as at June 30, 2010. Its proved reserves increased by 113.9 Mboe to 658.8 Mboe, which is an increase of 21% compared to its proved reserves of 544.9 Mboe as at June 30, 2010. Total proved plus probable reserves remained relatively consistent with the June 30, 2010 Sproule evaluation. Total probable reserves decreased by 32%, but the majority of this reduction was due to reserves being reallocated to the proved reserves category as a result of the heavy oil drilling program.

Approximately 59% of Manitok's proved plus probable reserves are comprised of heavy crude oil on a boe basis. On a valuation basis, proved plus probable heavy crude oil reserves make up approximately 73% of the total reserves value on a net present value (NPV) 10% basis.

The net present value of total proved plus probable reserves for the financial year ended December 31, 2010 amounted to approximately \$14.8 million, which is a decrease of 2% from \$15.1 million as at June 30, 2010. The net present value of total proved reserves amounted to \$10.8 million, which is an increase of 14% from \$9.5 million as at June 30, 2010. Each of these net present value amounts is calculated using the pre-tax present value of the reserves estimated by Sproule discounted at 10% without including any additional value for Manitok's undeveloped land base. As at December 31, 2010, Manitok had 84,617 gross (81,017 net) acres of undeveloped land. Net undeveloped land comprised 92% of the total net land position of 88,044 acres.

On a proved plus probable basis, before considering decreases from production of 32.9 Mboe, there were positive reserves increases, totaling 119.9 Mboe, on Manitok's Swimming, Mannville and Hairy Hill assets due to performance factors and the five heavy oil well drilling program. There was a net negative technical revision of 37.3 Mboe, mainly due to a downward revision at Coleman, due to increased operating costs, which more than offset upward revisions at Swimming. Reserves were further reduced by 47.2 Mboe after the disposition of the Garrington assets for \$1.8 million.

During the financial year ended December 31, 2010, Manitok incurred capital costs of approximately \$2.1 million on undeveloped land and seismic and \$1.3 million on initial drilling in the Stolberg area which

were not reflected in any reserves additions in the Sproule reserves evaluation. The reserves attributed to the remaining \$3.3 million of capital expenditures, on drilling, completing and equipping the five heavy oil wells at Swimming by November 2010, were limited due to the short production history of the new wells.

## **About Manitok**

Manitok is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in the Canadian foothills. Manitok's corporate strategy is that of being an "early mover" in the exploitation phase of the development life cycle of hydrocarbon reserves in the Canadian foothills. The Corporation will continue to utilize its experience and expertise to develop the untapped conventional sweet oil and liquids-rich natural gas pools in this large and under-exploited region of the Western Canadian Sedimentary Basin.

**For further information** view our website at [www.manitokenergy.com](http://www.manitokenergy.com) or **contact:**

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**Reserves For Portion of Properties:** *All estimates of reserves volumes and future net revenues disclosed herein for December 31, 2010 are derived from the reserves evaluation dated March 30, 2011 which was prepared in accordance with National Instrument 51-101 by Sproule Associates Limited, an independent reserves evaluator. Estimates of reserves for each of June 30, 2009 and 2010 are derived from the evaluation of ManitoK's reserves prepared by Sproule Associates Limited. With respect to the disclosure of reserves contained herein relating to portions of ManitoK's properties, the estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenues for all properties due to the effects of aggregation.*

**BOE Conversions:** *The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. Per boe amounts have been calculated using a conversion ratio of six thousand cubic feet of natural gas to one barrel of oil. This boe conversion ratio of 6:1 is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*

## **Forward-Looking Information Cautionary Statement**

*This document contains forward-looking statements regarding the business and operations of ManitoK Energy Inc. All statements other than statements of historical fact contained herein are forward looking statements under applicable securities laws. In particular, statements as to recoverable reserves volumes and associated future net revenues and numbers of future wells that may be drilled are forward-looking statements. These forward-looking statements are based upon various assumptions as to future commodity prices, currency exchange rates, inflation rates, future well production rates, well drainage areas, success rates of future well drilling and future costs and availability of labour and services. With respect to estimates of reserves volumes and associated future net revenues and numbers of future wells to be drilled, a key assumption is the validity of the commodity prices, currency exchange rates, future*

*capital and operating costs and well production rates forecast by Sproule in the Sproule Report. With respect to the number of future wells to be drilled, another key assumption is the validity of the geological and other technical interpretations that have been performed by Manitok's technical staff and which indicate that commercially economic reserves can be recovered from Manitok's lands as a result of drilling such future wells. There can be no assurance that the plan, intentions or expectations upon which these forward-looking statements are based will occur. In addition, all such forward-looking statements necessarily involve risks associated with oil and gas exploration, production, marketing and transportation, such as loss of market, volatility of prices, currency fluctuations, imprecision of reserves estimates, environmental risks, and competition from other producers and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.*

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