

DESCO RESOURCES INC.

PRESS RELEASE

**Desco Resources Inc. enters into Amalgamation Agreement
with ManitoK Exploration Inc.**

March 4, 2010 – Calgary, Alberta: Desco Resources Inc. (“**Desco**” or the “**Corporation**”) (TSXV: DSR.P) has, as contemplated in its press release of February 18, 2010, entered into an Amalgamation Agreement dated as of March 1, 2010 with ManitoK Exploration Inc. (“**ManitoK**”), with respect to an amalgamation with ManitoK (the “**Amalgamation**”) and providing for the continuation of the operations of ManitoK under the name “ManitoK Energy Inc.”.

ManitoK is a private company incorporated under the laws of Alberta and is engaged in the exploration for and the development and production of oil and natural gas reserves in Western Canada, primarily in the southern Alberta foothills. Desco is a “capital pool company” and intends for the Amalgamation to constitute the “Qualifying Transaction” of the Corporation as such term is defined in the policies of the TSX Venture Exchange (“**Exchange**”). The Amalgamation is not a Non-Arm’s Length Qualifying Transaction as defined in the policies of the Exchange.

Pursuant to the Amalgamation, the shareholders of ManitoK will exchange each one (1) of their common shares of ManitoK for 0.75 of a common share of the amalgamated company and the shareholders of Desco will exchange each one (1) of their common shares of Desco for 0.375 of a common share of the amalgamated company. The Amalgamation will require shareholder approval of both Desco and ManitoK prior to the Amalgamation being effected.

The Corporation currently has 6,250,000 common shares and 750,000 options to acquire an additional 750,000 common shares issued and outstanding, including 625,000 stock options exercisable at \$0.20 per share and 125,000 agents options exercisable at \$0.20 per share. It is a condition of the Amalgamation that all of the foregoing Desco stock options and Desco agent’s options be exercised prior to the closing of the Amalgamation. ManitoK currently has 10,649,567 common shares issued and outstanding. It is a condition of the Amalgamation that all ManitoK stock options as well as all other convertible securities of ManitoK be exercised or be cancelled and terminated prior to the closing of the Amalgamation. Upon completion of the Amalgamation, the amalgamated company will have approximately 10,612,175 common shares issued and outstanding. Upon closing of the Amalgamation, the amalgamated company will carry on the business of ManitoK as currently constituted. No person or company beneficially owns more than 10% of the outstanding common shares of ManitoK.

Completion of the Amalgamation is subject to various closing conditions which are usual and appropriate for an amalgamation, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the transaction

cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

In accordance with the policies of the Exchange, the common shares of the Corporation are currently halted from trading. It is expected that the common shares of the Corporation will resume trading on the Exchange, after all requirements of the Exchange have been satisfied, under the stock symbol “DSR.P”.

For further information contact:

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Forward-Looking Information Cautionary Statement

Certain statements contained in this release constitute forward-looking information. These statements relate to future events or the Corporation's future performance. The use of any of the words "could", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Corporation's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, the Corporation's stated expectation as to the completion of the Amalgamation is a statement containing forward-looking information. Actual results and developments may differ materially from those contemplated by this forward-looking information depending on, among other things, the risks that the parties will not proceed with the Amalgamation, that the ultimate terms of the Amalgamation will differ from those that are currently contemplated, that the Amalgamation will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities) as contemplated. The Corporation disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as may be expressly required by applicable securities laws.

Neither the 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.