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**PRESS RELEASE**

**MANITOK ENERGY INC. PROVIDES OPERATIONAL UPDATE AND ANNOUNCES FINANCIAL RESULTS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2010**

**November 30, 2010, Calgary, Alberta** – ManitoK Energy Inc. (the "**Corporation**" or "**Manitok**") (TSX-V: MEI) is pleased to provide the following operational update and the financial results as at and for the three months ended September 30, 2010.

**Operational Update**

Manitok is pleased to provide an update of its previously announced five-well heavy oil program at Swimming in east-central Alberta, 60 miles west of Lloydminster. Manitok expected to achieve an overall production rate in the order of 150 bbls/d from these wells. While still very early in the production phase of these wells, management believes the five wells will meet or exceed this target in the coming months. Manitok completed the drilling portion of the program on budget with pre-spud drilling estimates. Total project costs are expected to be within 10% of the total estimated costs. Most of the small overage was due to higher completion costs which resulted from the combination of wet weather, increased competition for required services in the area and much higher than expected levels of initial sand production. The primary target of these wells was a lower Mannville reservoir (Cummings), discovered by Manitok in 2007, during initial drilling of its heavy oil properties. At present, four of the five new wells are producing from the Cummings reservoir. The fifth well encountered two additional heavy oil zones (Sparky and Colony). Manitok has completed the Sparky and is currently producing the zone to assess the reservoir performance. While the initial results are encouraging, Manitok will monitor the production performance to determine whether this zone will be the target of further vertical, or possibly horizontal, development drilling. All nine Manitok well bores at Swimming have encountered the Sparky zone with varying degrees of reservoir thickness and quality. Although the shallower Colony zone has not been tested, log characteristics are extremely encouraging. Manitok expects to test the Colony in the first quarter of 2011. The Colony zone was intersected by three of the five new wells, and it provides considerable upside to the property. The drilling results not only provide Manitok with cash flow that will exceed its monthly G&A costs, which was the primary purpose of the program, it has also served to provide new avenues of growth on our lands through the exploitation of the additional zones encountered.

Manitok continued to expand its heavy oil operations in the area over the quarter. In addition to acquiring 1,920 acres, with 100% working interest ("**WI**"), Manitok is near completion of a \$400,000 2D and 3D seismic program to evaluate new and existing oil pools on its acreage. The most prospective of these pools will be tested in follow-up phases of development and exploration drilling in 2011. Of the newly acquired acreage, 640 acres (100% **WI**) directly offsets the above-mentioned successful drilling program and our current 3D seismic data overlaps it to some degree. With 15 development locations on its lands and the possibility of adding more with the newly acquired seismic data, Manitok is confident that, with enough capital, it can add up to 1,000 bbls/d of production during the next several years in east-central Alberta.

Manitok's second focus area is the Alberta foothills. Within the last month, Manitok has added Robert Quartero to our technical team. He managed the very successful foothills exploration team at Talisman

Energy for more than a decade, achieving above average growth rates in production and reserves. During his tenure at Talisman, Mr. Quartero tested more than 200 prospects in the foothills and discovered approximately 2 Tcf of natural gas reserves in a variety of structured plays. He pioneered horizontal drilling concepts in the Alberta foothills in the 1990s which provided Talisman a significant advantage over its competitors. As a foothills District Manager at Talisman, he assembled and led a world class technical team. Mr. Quartero's technical expertise and extensive knowledge base in the specialized foothills play type will certainly benefit ManitoK in executing its business plan.

As a result of our technical team's extensive knowledge of the opportunities in the foothills, ManitoK was successful in acquiring a drill-ready prospect near Nordegg, Alberta at a land sale over the last quarter. ManitoK has recently licensed a vertical well on these lands. The target is a highly structured Cretaceous reservoir which to date has not been exploited in this region of the foothills. It has been logged and drill stem tested ("**DST**") in an offsetting deeper well within 200 metres of our target bottom hole location. The DST in the target zone in the offset well yielded a combination of light oil, condensate and sweet gas. Management believes our target risk is low based on the technical merits of the prospect and the target provides the company with the potential to significantly increase its production and reserves. The total cost of the well is expected to be approximately \$5.1 million. ManitoK has secured an industry partner to participate for a 25% working interest in the project after paying for a higher proportion of the land costs as a promote. While drilling results can never be certain, management's internal estimate, effective November 24, 2010, is for initial risked production rates of between 300-700 boe/d and reserves in the order of 400-700 mboe. The variable phase offset DST places some uncertainty on the proportions of produced oil and gas in the new drill, thus volumes are expressed as an equivalency.

Management's expectations of reserves additions and initial production rates from the prospect could provide considerable growth relative to ManitoK's current base of production and reserves. Several additional follow-up locations are possible on our existing land base depending on the results of the initial drill. The reservoir is carried in several thrust sheets and management believes there is a possibility of having multiple increases in its reserve base in at least one of its 75% WI offset sections. ManitoK continues to leverage its foothills expertise to exploit low risk drilling opportunities which target shallow sweet oil or liquids-rich natural gas throughout the Alberta foothills.

### **September 30, 2010 Financial Results**

The financial results contained herein are qualified in their entirety by the full text of the unaudited interim financial statements as at and for the three months ended September 30, 2010 and the related management's discussion and analysis, all of which can be found under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Quarterly Highlights:**

- Average production of 160 boe/d, compared to average production of 219 boe/d in the comparable three month period a year ago; approximately 37 boe/d of the decrease was due to downtime and a successful asset sale in the quarter. Given that there was no drilling over the last 12 months, the decline rate is only about 10% on current production.
- On July 8, 2010, ManitoK Exploration Inc. ("**MEX**") amalgamated with Desco Resources Inc., a reporting issuer, pursuant to the *Business Corporations Act* (Alberta) to form a new company under the name ManitoK Energy Inc. (the "**Amalgamation**").
- On July 8, 2010, immediately prior to the Amalgamation, MEX completed a private placement of 4,311,700 MEX Shares (equivalent to 3,233,775 ManitoK Shares issued at a price of \$1.15 per MEX Share (equivalent to \$1.53 per ManitoK Share)) and 3,846,000 MEX Shares on a "flow-through" basis under the *Income Tax Act* (Canada) ("**MEX Flow-through Shares**") (equivalent to 2,884,500 ManitoK Shares issued on a "flow-through" basis under the *Income Tax Act*

(Canada) ("**Manitok Flow-through Shares**") issued at a price of \$1.30 per MEX Flow-through Share (equivalent to \$1.73 per Manitok Flow-through Share)) for total net proceeds of \$9,064,582. Proceeds of the private placement were used to repay the outstanding bank debt and to fund the Corporation's drilling program in late 2010 and 2011.

- On August 4, 2010, Manitok completed a disposition of a minor oil and gas asset in the Garrington area of Alberta for approximately \$1,800,000. The proceeds were used to partially fund the Corporation's capital program.
- Manitok acquired 24,150 net acres, with a 100% working interest, of undeveloped land in both the southern Alberta foothills and Swimming area of Alberta, through crown land sales. Manitok's undeveloped land position at September 30, 2010 was comprised of 77,430 (74,870 net) acres, which was a 48% increase on a net basis as compared to 53,280 (50,720 net) acres at June 30, 2010.
- Negative cash flow from operations of (\$379,336), or (\$0.02) per diluted share, compared to negative cash flow from operations of (\$39,066), or (\$0.00) per diluted share, in the previous three-month period. The negative cash flow was due mainly to a significant increase in G&A costs without an offsetting increase in production levels. Those costs include increased personnel levels to accommodate the increase in capital spending, an increase in office rent due to a larger space being required and costs associated with the Amalgamation and becoming a public entity.
- Net loss of \$624,213, or \$0.04 per diluted share, compared to a net loss of \$356,161, or \$0.03 per diluted share, in the previous three-month period.

## **About Manitok**

Manitok is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in the Canadian foothills and heavy crude oil in east-central Alberta.

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

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***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..*

***Disclosure of Less Than All Reserves:*** *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 revenue for all properties, due to the effects of aggregation.*

## **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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