

PRESS RELEASE

REECE ENERGY EXPLORATION CORP. ANNOUNCES THE FOLLOWING OPERATIONAL UPDATE FOR JULY, 2005

July 28, 2005 – Medicine Hat, AB – Reece Energy Exploration Corp. (“Reece”) is pleased to provide the following update regarding its operations through July, 2005.

After a delay due to weather, Reece is pleased to announce that five of the six wells drilled during its spring drilling program have now been brought on production. Reece has a 50% working interest in each of these wells. Net production from the new wells is approximately 80 BOE/d, which will bring Reece’s total production to over 400 BOE/d. The sixth well will be tied in this week with testing to follow.

Reece is also pleased to announce that as of July 26, 2005 Reece has closed a deal securing all PNG rights for 20 sections of land in our Brock exploration area south east of Kindersley, SK. This land is in addition to a previously announced deal effective May 1, 2005 which entitled Reece the PNG rights for 36 sections of land in the same area. Reece is currently running an extensive seismic program of over 180 km in this area, of which approximately 90 km is now complete. Processing of this seismic data has shown excellent drilling opportunities in the area.

On July 1, 2005 Reece had a fire at its salt water disposal battery north of Kindersley, SK. While the cause of this fire is still unknown, it was thought to have been started by lightning. This fire has had no impact on Reece’s production and the battery was fully insured. Cleanup from this fire is going well and Reece is currently making plans to rebuild the battery.

For any further information, please contact:

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“Finding long life reserves for long term shareholders”

Reece is a publicly held oil and gas company headquartered in Medicine Hat, Alberta, Canada that trades on the *TSX Venture Exchange* under the symbol “RXR”.

BOEs derived by converting gas to oil at a ratio of six thousand cubic feet of gas to one barrel of oil (6 Mcf: 1 bbl). BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Statements in this release which describe Reece’s intentions, expectations or predictions, or which relate to matters that are not historical facts are forward looking statements. These forward looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of Reece to be materially different from any future results, performances or achievements expressed in, or implied by such forward looking statements. Reece may update or revise any forward looking statements, whether as a result of new information, future events or change in market and business conditions.
