

## PRESS RELEASE

### REECE ENERGY PROVIDES UPDATE ON FINANCING

**August 11, 2008 – Medicine Hat, AB** – Reece Energy Exploration Corp. (TSX Venture: RXR) (“Reece”) announces that it has priced its previously announced brokered private placement (the “Financing”) at \$3.10 per common share and elected to reduce the size of the Financing to \$12 million.

The Financing, which is oversubscribed, is being completed by a syndicate of agents led by Wolverton Securities Ltd., and including Evergreen Capital Partners Inc. and CIBC World Markets Inc. The Board of Directors of Reece has chosen to revise the size of the Financing based on an anticipated \$12 million increase to Reece’s credit facility with the Alberta Treasury Branch. The anticipated credit facility increase is based on the strength of Reece’s previously announced mid-year update to its 2007 reserves evaluation.

With Reece’s current cash flow, the increase to its credit facility and the proceeds of the Financing, management and the Board of Directors believe that Reece will minimize shareholder dilution while maintaining a fully funded capital program for the year of \$66 million as previously announced.

The Financing is scheduled to close on or about August 22, 2008.

The securities offered 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, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

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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”.

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

Certain statements in this news release including (i) statements that may contain words such as “anticipate”, “could”, “expect”, “seek”, “may”, “intend”, “will”, “believe”, “should”, “project”, “forecast”, “plan” and similar expressions, including the negatives thereof, (ii) statements that are based on current expectations and estimates about the markets in which Reece operates and (iii) statements of belief, intentions and expectations about developments, results and events that will or may occur in the future, constitute “forward-looking statements” and are based on certain assumptions and analysis made by Reece. Forward-looking statements in this news release include, but are not limited to, statements with respect to future capital expenditures, including the amount, nature and timing thereof; oil and natural gas prices and demand; other development trends within the oil and natural gas industry; business strategy; expansion and growth of Reece’s business and operations and other such matters. Such forward-looking statements are subject to important risks and uncertainties, which are difficult to predict and that may affect Reece’s operations, including, but are not limited to: the impact of general economic conditions; industry conditions; government and regulatory developments; oil and natural gas product supply and demand; competition; and Reece’s ability to attract and retain qualified personnel. Reece’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do transpire or occur, what benefits Reece will derive therefrom. Subject to applicable law, Reece disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

All forward-looking statements contained in this document are expressly qualified by this cautionary statement. Further information about the factors affecting forward-looking statements is available in Reece’s current Annual Report which has been filed with Canadian provincial securities commissions and is available on [www.sedar.com](http://www.sedar.com).