



NEWS RELEASE

ANGLE ENERGY INC. ANNOUNCES OPERATIONAL AND RESERVES UPDATE

Calgary, Alberta - October 20, 2010 - Angle Energy Inc. (“Angle” or the “Company”) (TSX: NGL) is pleased to announce the following operational results, updated reserve report, resource assessment for the Harmattan Viking field, and credit line expansion:

- Angle is currently producing approximately 12,100 boe/d (65% natural gas, 35% oil and NGLs) from field estimates. Average production for the third quarter ended September 30, 2010 was an estimated 10,021 boe/d, representing a 37% increase from the second quarter of 2010.
- Current light oil production is approximately 1,150 bbl/d. Average light oil production for the third quarter has increased 47% over the second quarter, to 756 bbl/d from 515 bbl/d.
- Increase of 100% in total proved plus probable reserves as at September 30, 2010 to 50.2 million barrels of oil equivalent (“boe”), over the 26.2 MMboe assessed at December 31, 2009 (pro forma the acquisition of Stonefire). *Calculated increase includes 2010 production to September 30 of 2.31 million boe.*
- Increase of 101% in total proved reserves to 27.3 MMboe as compared to 14.7 MMboe at year end 2009 (pro forma Stonefire). *Calculated increase includes 2010 production to September 30 of 2.31 million boe.*
- Drilled 15 gross (12.6 net) wells in the quarter of which 12 gross (10.9 net) were successful. The Company drilled five wells in Harmattan (4 wells targeting light oil), three wells in Ferrier for Ellerslie/Notikewin gas, six wells in Edson and one well in Lone Pine Creek.
- Increase in net undeveloped land of 79% as at September 30, from 98,966 net undeveloped acres (exit 2009) to 177,191 acres. Angle acquired 39,340 net acres (61.5 net sections) at Crown land sales in core areas in 2010 to date, with 34.6 net sections of Viking rights acquired in the Harmattan area.
- Angle now owns over 65 net oil prone sections of Viking rights within this resource play and another 30 sections of acreage identified as primarily gas prone. Angle’s well inventory on the oil resource play is approximately 195 wells (2-3 wells per section).
- GLJ Petroleum Consultants (“GLJ”) were engaged to prepare a Viking resource evaluation report effective October 1, 2010 for the Harmattan core area. Based on geological well control, existing vertical well production, and drilling results to date including two Angle horizontal Viking wells, the Discovered Petroleum Initially in Place (“DPIIP”) associated with this Discovered Resource was estimated to be 471 MMstb of oil net to Angle. GLJ has estimated that 47,800 acres of Angle interest lands would be classified as a Discovered Resource.
- Increased our credit line to \$180 million and added a new bank to our banking syndicate.

Operations Update

Angle closed the previously announced Edson asset transaction on June 30, 2010, which added average corporate volumes over the third quarter of 1,975 boe/d. Additional volumes from Angle's drilling program were tied-in late in September at Lone Pine Creek with the successful construction and start up of the Company's 100% owned, 13 kilometre, 8" pipeline. Capacity in this system is currently constrained to 5 MMcf/d due to third party limitations. Currently, Angle's corporate behind pipe tested volumes include 300 boe/d in Edson awaiting tie-in and 800 boe/d in Ferrier awaiting compression installation.

Angle has one Viking oil well in Harmattan, one Eilerslie well in Ferrier, and one Notikewin well and one Bluesky well in Edson awaiting completion. Current drilling includes two Viking light oil wells and one Mannville B high NGL gas well, all in Harmattan. The Company reiterates its previous exit guidance for 2010 of 13,500 boe/d.

Reserve Update

Angle has proven significant success in drilling its 2010 program with new reserve additions. In conjunction with the Company's semi-annual credit review, Angle commissioned an updated reserve assessment which would reflect the value achieved to date, and demonstrate the transition of the Company to a resource asset base.

The Company is pleased to provide the following information on its reserves as of September 30, 2010, as evaluated by the Company's independent reserve engineering firm, GLJ Petroleum Consultants ("GLJ"). The evaluation of Angle's petroleum and natural gas reserves was conducted pursuant to National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook ("COGEH") reserves definitions.

The September 30, 2010 Angle reserve assessment yielded the following results:

- Total proved plus probable reserves of 50.2 million boe, a 100% increase over the 26.2 million boe at December 31, 2009 (Angle pro forma the purchase of Stonefire Energy), and total proved reserves of 27.3 million boe as compared to 14.7 million boe at year end 2009, a 101% increase. *(Calculated increases include the replacement of 2010 production to September 30 of 2.31 million boe).*
- Proved plus probable reserve replacement of 1,043% (based on 2010 production to September 30 of 2.31 million boe), and total proved reserve replacement of 541%.
- Reserve life index increased 42% to approximately 11.5 years proved plus probable and 35% to approximately 6.2 years proved (based on production of 12,000 boe/d).

Angle's 2010 projects are in various stages of being recognized by our independent evaluator. Increasing the number of horizontal wells in the play, combined with ongoing horizontal well production, will provide further de-risking and allow additional reserves to be recognized going forward. Continued reserve recognition is expected in Angle's emerging Viking oil play. Presently, 8 (gross) Viking locations are booked which represents approximately 6% of Angles internal inventory. Similarly, Angle's Edson Wilrich play is also poised to show incremental reserve growth. Currently, 10 (gross) wells are booked in the recent reserve update, representing only 10% of Angle's internal inventory.

Further information on our reserves is as follows:

Corporate Reserves Information – Angle

September 30, 2010 Reserves Summary (Company interest before royalties)			
(October 1, 2010 escalated price forecast)	Natural Gas	Crude Oil & NGLs	Oil Equivalent
	(Bcf)	(Mbbbls)	(Mboe) (6:1)
Proved developed producing	63.18	5,655	16,185
Proved developed non-producing	10.94	680	2,502
Proved undeveloped	<u>35.64</u>	<u>2,653</u>	<u>8,593</u>
Total Proved	109.75	8,987	27,279
Probable	95.42	7,023	22,927
Total Proved plus Probable	205.17	16,011	50,206

(Columns may not add due to rounding)

September 30, 2010 Net Present Values (“NPV”) Summary (Company interest before royalties)			
(October 1, 2010 escalated price forecast)	Present value (1) of cash flows before-tax (\$000s)		
	0%	10%	15%
Proved developed producing	\$ 388,458	\$ 260,218	\$ 224,944
Proved developed non-producing	56,958	35,785	29,977
Proved undeveloped	<u>169,965</u>	<u>74,091</u>	<u>51,311</u>
Total Proved	615,381	370,094	306,231
Probable	597,577	227,696	158,410
Total Proved plus Probable	\$1,212,958	\$ 597,790	\$ 464,642

Note:

(1) Net present values are determined under the new Alberta royalty framework.

(Columns may not add due to rounding)

Year	Inflation %	Bank of Canada Average Noon Exchange Rate \$US/\$Cdn	Nymex WTI Near Month Futures Contract		Henry Hub Near Month Contract		AECO/NIT Spot Then Current \$Cdn/mmbtu
			Crude Oil at Cushing Oklahoma Constant 2010 \$	Then Current \$US/bbl	Constant 2010 \$	Then Current \$US/mmbtu	
2010 Q1	1.6	0.961	78.72	78.72	5.04	5.04	5.39
2010 Q2	1.4	0.974	78.03	78.03	4.34	4.34	3.90
2010 Q3 (e)	1.8	0.957	76.19	76.19	4.24	4.24	3.80
2010 Q4	2.0	0.950	80.00	80.00	4.20	4.20	4.00
2010 Full Year	1.7	0.960	78.24	78.24	4.45	4.45	4.27

Year	Inflation %	Bank of Canada Average Noon Exchange Rate \$US/\$Cdn	Nymex WTI Near Month Futures Contract Crude Oil at Cushing Oklahoma		Henry Hub Near Month Contract		AECO/NIT Spot Then Current \$Cdn/mmbtu
			Constant 2010 \$ \$US/bbl	Then Current \$US/bbl	Constant 2010 \$ \$US/mmbtu	Then Current \$US/mmbtu	
2011	2.0	0.950	81.37	83.00	4.51	4.60	4.37
2012	2.0	0.950	82.66	86.00	5.09	5.30	5.05
2013	2.0	0.950	83.87	89.00	5.65	6.00	5.74
2014	2.0	0.950	85.00	92.00	6.10	6.60	6.32
2015	2.0	0.950	85.00	93.84	6.43	7.10	6.79
2016	2.0	0.950	85.00	95.72	6.62	7.45	7.16
2017	2.0	0.950	85.00	97.64	6.75	7.75	7.47
2018	2.0	0.950	85.00	99.59	6.74	7.90	7.63
2019	2.0	0.950	85.00	101.58	6.75	8.07	7.81
2020+	2.0	0.950	85.00	+2.0%/yr	6.75	+2.0%/yr	+2.0%/yr

Viking Play Update and DPIIP Study

GLJ Petroleum Consultants (“GLJ”) were engaged to prepare a Viking resource evaluation effective October 1, 2010 for Angle’s owned lands in the Harmattan and Sundre areas. Based on geological well control, existing vertical well production, and drilling results to date including two Angle horizontal Viking wells, GLJ has estimated that 47,800 acres of Angle interest lands would be classified as a Discovered Resource. The best estimate Discovered Petroleum Initially in Place (“DPIIP”) associated with this Discovered Resource was estimated to be 471 MMstb of oil net to Angle.

DPIIP is defined in the COGE Handbook as the quantity of hydrocarbons that are estimated to be in place within a known accumulation. DPIIP is divided into recoverable and unrecoverable portions, with the estimated future recoverable portion classified as reserves and contingent resources and the remainder as at evaluation date is by definition unrecoverable. There is no certainty that it will be economically viable or technically feasible to produce any portion of this DPIIP except to the extent identified as proved or probably reserves.

It should be noted that given the early stages of development, the best estimate of DPIIP may change in the future with further exploration and development activity and the amount of contingent resources, as defined in the COGE Handbook, has yet to be determined. Additional drilling, testing and development are required to confirm economic development and ultimate recovery factors in the play. The resource estimates provided herein are estimates only and the actual resources may be greater or less than the estimates provided herein. Other than the resources which have been booked as reserves in the September 30, 2010 report, a recovery factor for the remaining resources has not been estimated by GLJ and a recovery project cannot be defined for these volumes of DPIIP at this time.

To date, Angle has successfully drilled, completed, and has placed on production three 100% working interest Viking horizontal wells at Harmattan.

- The 6-20-31-2 W5M well has been on production for approximately 75 days, and production has stabilized at 164 boe/d (42% oil).

- The 1-20-30-3W5M well has been on production for approximately 70 days, and production has stabilized at 193 boe/d (85% oil).
- The 8-17-31-2W5M well has been on production for approximately 30 days, and is producing at 196 boe/d (32% oil).

The first and third wells are located in an area of the reservoir which has been pressure depleted from historical offsetting gas producing in the Viking, and therefore exhibit a higher gas production component than the second well, which is fully pressured. As Angle continues to drill and test diverse areas of its asset base, and as offset drilling from competitor companies yields production results, the Company will continue to provide updates on horizontal well performance through the play. To date, Angle is encouraged by the results. By year end, Angle expects to have three additional producing Viking oil wells to add to the existing data set.

Credit Line, 2010 Capital Spending Update and Estimated Net Debt

Angle has completed a credit review and is pleased to report an increase in total credit facilities from \$160 million to \$180 million. Angle is also pleased to announce the addition of Bank of Montreal to the existing syndicate which is led by the Canadian Imperial Bank of Commerce and includes ATB Financial. The increased credit facilities are structured as a revolving committed facility and the next semi-annual review is scheduled to take place on or before April 30, 2011.

At September 30, 2010, Angle net debt is estimated at \$168 million, of which \$135 million is currently drawn from our existing banking facilities. Based on the Company's updated view of total capital spending in 2010 of approximately \$187 million, an increase from our previously guided \$160-165 million, Angle estimates net debt at year end 2010 to be \$170-173 million. The additional capital was used to purchase Crown lands for the Viking light oil play and to expand existing, or construct additional, facilities.

We expect to press release our third quarter report after market close on November 3, 2010.

About Angle

Angle Energy Inc. is a Calgary based public oil and gas exploration and development company that was incorporated in 2004 and commenced active oil and gas operations in 2005. Angle's goal is to grow our high quality, focused asset base through a combination of drilling and strategic acquisitions. Angle started in 2004 as a "blind pool" and has grown production while maintaining low operating costs, finding costs and a favourable recycle ratio. Angle's proven and dedicated team of industry specialists are focused on identifying and developing high quality assets in the Western Canadian Sedimentary Basin, with an emphasis in west central Alberta. Common shares of Angle are listed for trading on the Toronto Stock Exchange under the symbol "NGL."

Basis of Presentation

Production information is commonly reported in units of barrel of oil equivalent ("boe"). For purposes of computing such units, natural gas is converted to equivalent barrels of crude oil using a conversion factor of six thousand cubic feet of gas to one barrel of oil. This conversion ratio of 6:1 is based on an energy equivalent conversion for the individual products, primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Such disclosure of boes may be misleading, particularly if used in isolation.

Future Outlook and Forward-Looking Information

Information set forth in this press release contains forward-looking statements, primarily with respect to, capital spending, net debt, timing of bringing on production, expected plans and costs of drilling, drilling inventory and presence of oil pools or gas accumulations and such statements are made as of October 20, 2010. These forward-looking statements are based on assumptions and analysis as of this date, by Angle in light of its experience, current conditions and expected future development in the areas it is currently active and other factors it believes are appropriate in the circumstances. By their nature, these

forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Angle's control, including mechanical failures or inability to access production facilities; the unanticipated encroachment of water or other fluids into the producing formation; and, the inability to drill, complete and tie-in wells on schedule due to a lack of oilfield services being available on a cost efficient basis, poor weather, the inability to negotiate surface access or regulatory delays. The drilling plans and expected costs of drilling are subject to all the aforementioned risks and uncertainties, as well as those risk factors identified by Angle's MD&A and Annual Information Form in the most recently complete financial year, all of which are on SEDAR at www.SEDAR.com and includes the impact of general economic conditions, industry conditions, volatility of commodity prices, environmental risks, competition from other industry participants, stock market volatility and ability to access sufficient capital from internal and external sources.

There are references to BOEs in this press release. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Also, "oil-in-place" estimates have been provided. There is no certainty that any portion of the resource will be discovered and, if discovered, that oil will be commercially viable to produce in the area referenced. Any references to publicly reported refers to most current Alberta Government petroleum registry data.

Readers are cautioned that the assumptions and factors discussed in this press release are not exhaustive and that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise, and as such, undue reliance should not be placed on forward-looking statements. Original oil-in-place and discovered resource in place figures included in this press release are independent third party estimates, actual figures and recovery factors may be less. Given the risk of costs of development and fluctuating commodity prices, there is no certainty that it will be commercially viable to produce the resources mentioned. Angle's actual results, performance or achievement 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 so, what benefits that Angle will derive there from. Unless required by law, Angle disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward looking statements are expressly qualified by these cautionary statements.

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