



**NEWS RELEASE**

**TSX Venture Exchange: PRY**

**PINECREST ENERGY INC. ANNOUNCES DECEMBER 31, 2010 YEAR END RESULTS, RESERVES, AND FILES ANNUAL INFORMATION FORM**

**March 23, 2011 – Calgary, Alberta** - Pinecrest Energy Inc. (“Pinecrest” or the “Company”) is pleased to announce it has filed on SEDAR audited financial statements and related Management’s Discussion and Analysis (“MD&A”) for the year ended December 31, 2010 as well as its Annual Information Form (“AIF”) for the year ended December 31, 2010. Select operational and financial results are outlined below and should be read in conjunction with the Company’s audited financial statements, related MD&A and AIF which can be found at [www.pinecrestenergy.com](http://www.pinecrestenergy.com) and have been filed on [www.sedar.com](http://www.sedar.com).

**2010 HIGHLIGHTS**

The following are the highlights of Pinecrest’s operations for the calendar year ending December 31, 2010:

- Recapitalized Antler Creek Energy Corp. including a new management team and Board of Directors;
- Changed the Corporation’s name to Pinecrest Energy Inc.;
- Added approximately 40,000 net acres representing 340 net drilling locations, based on 8 wells per section, in the high netback Slave Point carbonate resource play - 99% of which are unbooked;
- Evaluated, negotiated and closed seven separate asset acquisitions in the Company’s greater Red Earth core area. The acquisitions provide the company with exposure to key lands in the emerging high impact Slave Point light oil resource play and key producing infrastructure;
- Closed an \$86.3 million equity financing in the fourth quarter of 2010. During the 2010 calendar year, the Company closed four equity financings totalling approximately \$175.4 million;
- Initiated the Company’s first operated drilling program, participating in 11 gross (5.1 net) wells for a 100% success rate, targeting light sweet oil from the Slave Point carbonate in greater Red Earth and the Bakken in southeast Saskatchewan;
- Increased proved plus probable reserves by 158% to 1,806 million BOE, up from 698.1 million BOE at July 31, 2010;
- Received regulatory approval to change its year end from July 31 to December 31; and
- Established a demand credit facility in the amount of \$30 million with a Canadian chartered bank.

**FINANCIAL AND OPERATIONAL HIGHLIGHTS**

The following MD&A is a review of Pinecrest’s financial and operating performance for the five months ended December 31, 2010, which is the Company’s new fiscal year end. The reader should be cautioned that the following comparative analysis of the five months ended December 31, 2010 is not comparable to the twelve months (year ended) July 31, 2010.

	<b>Five months ended December 31, 2010</b>	<b>Year ended July 31, 2010</b>	<b>%Change</b>
<b>FINANCIAL (\$ except per share amounts)</b>			
Petroleum and natural gas sales	1,906,353	1,219,663	56
Funds flow (used) in operations ( <i>non-GAAP</i> )	(214,187)	(110,008)	95
Per share, basic and diluted	\$(0.00)	\$(0.01)	100
Net loss	(2,040,648)	(1,221,192)	23
Per share, basic and diluted	(\$0.02)	(\$0.07)	250
Capital expenditures	69,897,433	10,611,670	559
Asset acquisitions	17,280,421	18,079,841	(4)
Net debt and working capital surplus	49,466,280	17,531,301	182
Common Shares Outstanding			
End of period – basic & diluted	169,638,917	85,315,774	99
Weighted average – basic & diluted	121,544,951	17,071,207	6
<b>OPERATING</b>			
Number of producing days	153	365	-
Production			
Crude oil (bbls/d)	155	43	260
Natural gas (mcf/d)	29	9	222
Natural gas liquids (bbls/d)	3	1	200
Barrels of oil equivalent (boe/d – 6:1)	162	46	252
Average realized price			
Crude oil (\$/bbl)	78.90	74.98	5
Natural gas (\$/mcf)	4.05	4.74	(15)
Natural gas liquids (\$/ bbl)	48.63	51.27	(5)
Barrels of oil equivalent (\$ - 6:1)	76.50	72.67	5
Netback per boe (\$)			
Petroleum and natural gas sales	76.50	72.67	5
Royalties	11.37	9.20	23
Operating & transportation expenses	18.24	18.58	(2)
Operating netback	46.89	44.89	4

Wells drilled (net)			
Gross	11	-	100
Net	5.1	-	100
Success rate (%)	100	-	100

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## RESERVES

In accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (NI 51-101), Sproule Associates Ltd. (“Sproule”) evaluated, as at December 31, 2010, 100 percent of Pinecrest’s oil, natural gas liquids and natural gas reserves. The AIF contains Pinecrest’s reserves data and other oil and gas information for the period ended December 31, 2010 mandated by NI 51-101. A copy of the AIF can be obtained under Pinecrest’s profile at [www.sedar.com](http://www.sedar.com) or at [www.pinecrestenergy.com](http://www.pinecrestenergy.com).

The reserve evaluation (“Reserve Report”) includes 9 gross (3.44 net) horizontal, multistage fracture stimulated wells. All of these wells were spud in 2010 and are currently on production. There are currently no reserves booked to any additional Slave Point horizontal locations in the Reserve Report. In light of the Company’s significant development drilling activities undertaken in 2011, and the potential reserves associated therewith, the Company is contemplating a “mid-year” update to its reserves.

## OPERATIONS OVERVIEW

Beginning in September 2010, the Company initiated its first drilling operations under new management and Board of Directors. Pinecrest’s operational activities were conducted within its two core areas; Viewfield, Saskatchewan and the Greater Red Earth area located in northern Alberta.

In Viewfield, Pinecrest operated the drilling, completion and tie-in of 4 (2.25 net) horizontal Bakken light oil wells. The first well was brought on production in late December, 2010, and all 4 wells are now producing to the new Crescent Point Melrose oil battery.

In the Greater Red Earth area, Pinecrest operated the drilling of 3 (1.92 net) wells and participated in the drilling of 4 (0.93 net) partner operated wells. All wells were drilled horizontally, targeting the Slave Point formation.

All 11 gross (5.09 net) wells that were drilled in 2010 are currently on production. In addition, Pinecrest surveyed and constructed several new leases and pipeline right-of-ways to prepare for activities to be conducted during the first quarter of 2011.

## 2011 OUTLOOK

From its beginning as a newly capitalized company in May of 2010, Pinecrest’s management team and Board of Directors has been focused on the identification, evaluation and acquisition of high working interest, operated lands in the emerging Slave Point resource play in the greater Red Earth area. The successful execution of this business plan has allowed the Company to assemble a significant and high quality drilling inventory complete with strategic producing infrastructure in the Red Earth area.

Building on the Company’s successful accumulation of its Slave Point resource, Pinecrest will embark on an aggressive capital program to organically grow its reserves, production and cash flow per share.

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Approximately 95% of the Company's 2011 capital spending will be dedicated to the Company's high netback Slave Point oil opportunities, including the implementation of its first pilot waterflood in the Slave Point.

At the completion of the winter program, Pinecrest has participated in the drilling of 16 gross (8.8 net) wells in the Company's greater Red Earth core area targeting the Slave Point light oil resource play. Of those wells, 11 (7.8) net wells were operated by Pinecrest.

Pinecrest now has 12 gross (5.3 net) wells currently producing, 3 gross (2.5 net) wells awaiting tie-in and 1 gross (1.0 net) well scheduled to be fracture stimulated March 25, 2011. All wells are anticipated to be producing on or before April 15, 2011.

The Company will be releasing specific detailed well and production data, along with a 2011 budget on April 21, 2011.

**ANNUAL GENERAL MEETING**

Pinecrest's Annual General and Special Meeting is scheduled for 10:00 am on June 8, 2011 at The Bow Valley Conference Centre, Angus/Northcote Room, located at 300, 205 – 5<sup>th</sup> Avenue S.W. Calgary, Alberta T2P 2V7.

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**Advisory**

*The information in this press release contains certain forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions. In particular, forward looking statements in this press release includes, but is not limited to: Pinecrest's capital program and 2011 business objectives, Pinecrest's 2011 budget and the timing of the release of information relating to the 2011 budget, the timing of the annual general meeting of Pinecrest, the quantity of reserves, and projections of market prices and costs. These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Pinecrest's control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; competition for, among other things, capital, acquisitions, of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves. Pinecrest's actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits that Pinecrest will derive from them. Except as required by law, Pinecrest undertakes no obligation to publicly update or revise any forward-looking statements.*

*Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources or reserves described can be profitably produced in the future.*

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