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**TSX Venture Exchange: PRY**

**PINECREST ENERGY INC. ANNOUNCES INCREASE TO BOUGHT DEAL FINANCING  
FROM \$45.0 MILLION TO \$75.0 MILLION**

**October 22, 2010 - Calgary, Alberta** – Pinecrest Energy Inc. ("Pinecrest") is pleased to announce that, in connection with the previously announced offering of common shares (the "Common Shares"), the Company and the syndicate of underwriters led by Canaccord Genuity Corp. and including Cormark Securities Inc., GMP Securities L.P., Peters & Co. Limited, and Paradigm Capital Inc. (collectively the "Underwriters") have agreed to increase the size of the offering to an aggregate of 48,400,000 Common Shares at a price of \$1.55 per Common Share for aggregate gross proceeds of \$75,020,000 (the "Offering").

Pinecrest has also granted the Underwriters an option (the "Over-Allotment Option") to purchase up to an additional 7,260,000 Common Shares at a price of \$1.55 per Common Share for additional gross proceeds of \$11,253,000. The Over-Allotment Option shall be issued on the same terms and conditions as the Offering, exercisable at any time, in whole or in part for a period of 30 days following closing of the Offering, to cover over allotments, if any.

Proceeds of the Offering will be used to fund Pinecrest's capital program and for general corporate purposes. The Common Shares will be offered in all provinces of Canada, with the exception of Quebec, by way of a short form prospectus.

Closing is expected to occur on or about November 16, 2010 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange.

The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This news release does not constitute an offer to sell or the solicitation of any offer to buy nor will there be any sale of these securities in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such province, state or jurisdiction.

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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: the use of proceeds of the Offering, Pinecrest's capital program, and the anticipated closing date of the Offering. 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; and obtaining required approvals of regulatory authorities, including the approval of the TSX Venture Exchange. 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.*

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.***