

PRESS RELEASE

RIVAL ENERGY LTD. CORPORATE UPDATE

January 25, 2007 (Calgary) - Rival Energy Ltd. (“RGY” - TSX Venture Exchange) is pleased to provide the following corporate update as it commences its 2007 capital program.

Operating Highlights

- Ø Production at year-end surpassed the 1100 boe/d corporate target and averaged about 850 boe per day for the year.
- Ø Current production remains in excess of 1150 boe/d (70% oil), with one oil well remaining to be tied-in and placed on production.
- Ø Rival achieved a drilling success rate of 75% for the calendar year 2006 as it participated in 16 (14 net) successful oil and natural gas wells, 95% operated.
- Ø New Pool oil discovery at Bellshill was drilled in late Q3. An additional three wells were drilled and completed during Q4, with all wells on production by early 2007.
- Ø Two small property acquisitions, which added about 125 boe/d were completed during Q2 at a total cost (excluding land) of approximately \$8.0 million.

Despite the delays in surface access and regulatory approvals throughout 2007, Rival managed to meet and exceed its year-end production target of 1100 barrels of oil equivalent per day. The Company’s growth in production volumes was again predominately realized through exploring within its core areas. A new oil pool discovery in Bellshill during Q3 enabled Rival to continue its successful exploration and development in this core area and helped raise corporate production to over 1100 boe/d.

Rival expects 2007 to be another active this year, participating in over 20 drilling locations. The Company is currently preparing for the commencement of a four well drilling program in the Morinville area and is continuing to work on additional prospects in its other core areas. Two 3D seismic programs are also budgeted for shooting prior to Q2 this year, with drilling to follow. Commodity prices will continue to have an impact on the number of natural gas prospects Rival pursues during the first half of 2007, whereas oil targets will remain our priority for new growth.

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

Natural gas volumes are expressed in terms of barrels of oil equivalent (boe) based upon the estimated relative energy content of six thousand cubic feet of gas to one barrel of oil.

Company information applicable to Canadian securities regulations has been filed on the Sedar system at www.sedar.com and the Company’s website at www.rivalenergy.com